

# Report Highlights

**Louisiana Department  
of Justice**  
**State Legal Representation**  
**February 2006**

## Louisiana Legislative Auditor



The state constitution provides that the Attorney General is the chief legal officer of the state and the head of the Louisiana Department of Justice (DOJ). The Office of the Attorney General's mission is to protect the people and resources of the State of Louisiana by providing superior legal representation and interpretation, professional and effective law enforcement, and public education programs. The DOJ has five programs: Administrative, Civil Law, Criminal Law and Medicaid Fraud, Risk Litigation, and Gaming.

The constitution also states that the Attorney General shall appoint assistant generals who serve at his pleasure. In addition to the attorneys at the DOJ, the various state agencies, colleges and universities, and boards and commissions can employ an attorney or hire an attorney on a contractual basis to represent their legal interests.

Regulations also require that the Attorney General review contracts for legal service in accordance with R.S. 49:258. The Attorney General's office reviews each contract to ensure the attorney is licensed and the fee is appropriate based on the attorney's years of experience.

## Audit Results

### How Much Is Spent Annually on Legal Representation for the State of Louisiana?<sup>1</sup>

- An average of at least \$81 million was spent annually on overall legal representation for the state of Louisiana for the fiscal years 2001-2004.
- In-house attorneys represent 44 percent of total expenditures for state legal representation.
- Contracts for legal services represent 56 percent of total expenditures for state legal representation.
- DOJ expenditures account for 17 percent of total cost of state legal representation.
- Data relating to state legal representation costs are not centrally maintained or easily accessible. As a result, officials and policy makers may not be able to make the most well-informed, timely, and effective programmatic and budgetary decisions for controlling the cost of state legal representation.

<sup>1</sup>Includes legal costs for executive branch state government such as colleges and universities, boards and commissions, and executive departments. Does not include legal costs for legislative and judicial state government or quasi-state agencies such as ports and levee districts.

**Steve J. Theriot,**  
**CPA**

**Legislative  
Auditor**

## How Much Is Spent Annually on Legal Representation for the State of Louisiana?

**An Average of at Least \$81 Million Was Spent Annually on Overall Legal Representation for the State of Louisiana for Fiscal Years 2001-2004.**

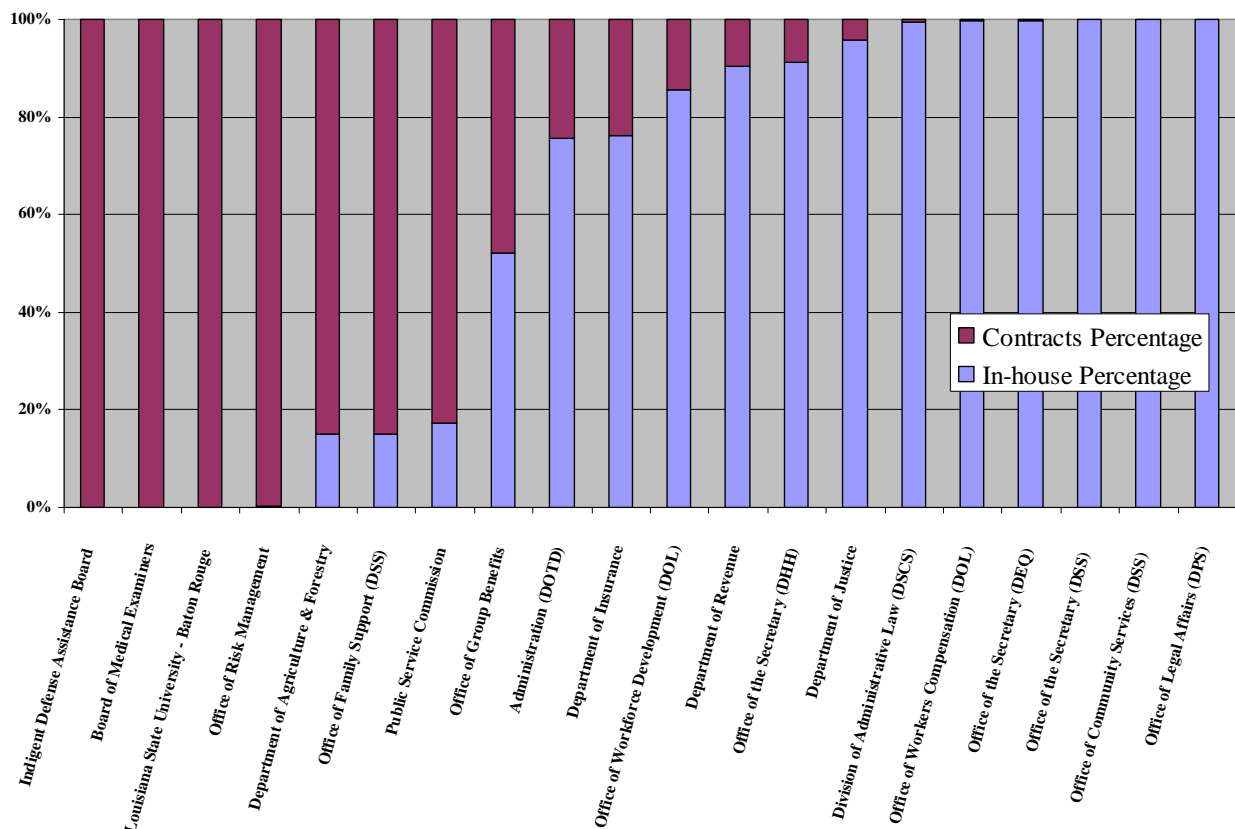
- The expenditure for state legal representation has increased steadily over the last four years, rising from just over \$74 million in FY 2001 to \$89 million in FY 2004.
- The cumulative cost of state legal representation for FY 2001 through FY 2004 amounted to at least \$326.8 million, averaging at least \$81 million per year.
- The largest users of state legal representation procure those services in different ways. Some employ in-house counsel(s) exclusively and others use only contract attorneys.

- During FY 2001 through FY 2004, approximately 76% of the costs of overall legal representation were associated with executive state agencies, excluding DOJ. DOJ accounted for 17.1% of overall expenditures. Higher education made up 4.3% and state boards, commissions, and like entities made up 2.6%.

## In-house Attorneys Represent 44 Percent of Total Expenditures for State Legal Representation.

- Salaries and benefits for in-house attorneys increased from \$32.9 million in FY 2001 to \$39.1 million in FY 2004 or a cumulative cost of \$143 million.
- The three largest users of in-house attorneys accounted for a total 52.7% of the in-house expenditures with DOJ spending 37.3%, Department of Health and Hospitals (DHH), Office of Secretary spending 8.0%, and Department of Social Services (DSS), Office of Family Support spending 7.4%.

**Sources of Legal Representation for Top Twenty Users  
Fiscal Years 2001 Through 2004**



### Contracts for Legal Service Represent 56 Percent of Total Expenditures for State Legal Representation.

- During FY 2001 through FY 2004, the expenditure on contracts for legal services increased from \$41.4 million in FY 2001 to \$50.1 million in FY 2004 or a cumulative cost of \$183.6 million.
- Only three users accounted for 70.9% of the overall expenditures with DSS, Office of Family Support spending 32.4%, the Division of Administration, Office of Risk Management spending 28.9%, and the Indigent Defense Assistance Board spending 9.5%.

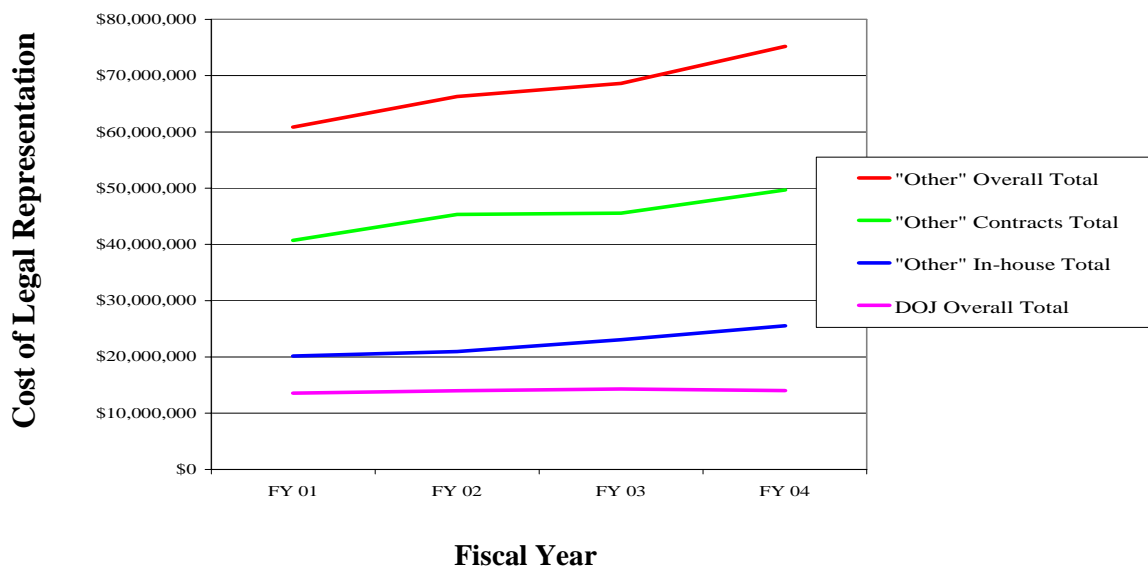
### DOJ Expenditures Account for 17 Percent of Total Cost of State Legal Representation.

- In terms of users, DOJ ranked second in total dollars spent on legal services after DSS, Office of Family Support. DOJ expenditures for legal representation remained relatively flat, rising from \$13.5 million in FY 2001 to \$13.9 million in FY 2004.
  - While DOJ expenditures on legal representation have been stable over this period, the overall cost of legal representation in the rest of state government has grown from \$60.9 million in FY 2001 to \$75.2 million in FY 2004.
- The cumulative cost of DOJ legal representation for FY 2001 through FY 2004 amounted to \$55.8 million or 17.1% of the total cost of state legal representation. Salaries and benefits for in-house attorneys at DOJ account for 96% of these expenditures, amounting to a cumulative total of \$53.4 million for FY 2001 through FY 2004.

### Maintenance of Data for Legal Representation Costs Needs Improvement.

- Collective data relating to legal representation costs are not centrally maintained or easily accessible. For example, some state agencies, many colleges and universities, and most state boards and commissions do not report payroll information to the Integrated Statewide Information System (ISIS), which includes the Human Resources system.
- In addition, many state agencies do not make payments for contract attorneys through the ISIS Contract Financial Management System.
- Also, some agencies and many colleges and universities do not maintain integrated data on legal representation and, therefore, cannot readily provide such data.

**Trends in Cost of Legal Representation for DOJ and Other State Government Entities  
Fiscal Years 2001 Through 2004**



- Some general causes of poor maintenance of data are (1) exemptions for certain state entities from the ISIS reporting requirements; (2) inadequate transitions from legacy systems to new technologies; and (3) poor integration of data across university systems.
- These deficiencies could have negative effects on the operations of state agencies. Without easy access to such data, state officials and policy makers may not be able to make the most well-informed, timely, and effective programmatic and budgetary decisions relating to legal representation. Also, such data are necessary to control state spending for legal representation.

### MATTER FOR LEGISLATIVE CONSIDERATION 1

- ✓ The legislature should consider amending R.S. 49:257 to require that departments of state government that employ a general counsel and contract with other attorneys consistently maintain accurate data on legal costs and periodically report such to DOJ.

### RECOMMENDATIONS

- ✓ The DOJ, as the chief provider of legal representation for the State of Louisiana, should lead a coordinated effort to improve information collection and maintenance on legal representation across state government. This effort should include the establishment and maintenance of a centralized source for legal representation data.
- ✓ The DOJ should establish a process by which it is informed of all in-house attorneys hired by state entities. Also, the department should record such information in a centralized data source.

- ✓ The DOJ should record all contracts at the point of its review in the centralized data source.

### ISSUE FOR FURTHER STUDY

If state law is amended as recommended in Matter for Legislative Consideration 1 and accurate data are consistently maintained and reported, a study should be conducted addressing legal costs and services for Louisiana. This study should determine whether state agencies are reporting the appropriate data to DOJ and DOJ is properly maintaining the data. If adequate data are maintained, then the study should also determine whether it is more cost-effective and efficient to use in-house and contracted attorneys or to concentrate resources with the DOJ, as the chief provider of legal representation for the State of Louisiana.

### Louisiana Legislative Auditor

1600 N. 3rd Street  
P.O. Box 94397  
Baton Rouge, LA  
70804-9397

### Need More Information?

For a copy of the complete performance audit report, visit our Web site at

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### Questions?

Call  
Steve Theriot  
at  
225-339-3800.

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DEPARTMENT OF JUSTICE  
STATE LEGAL REPRESENTATION



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PERFORMANCE AUDIT  
ISSUED FEBRUARY 1, 2006

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**LEGISLATIVE AUDITOR  
1600 NORTH THIRD STREET  
POST OFFICE BOX 94397  
BATON ROUGE, LOUISIANA 70804-9397**

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STEVE J. THERIOT, CPA  
LEGISLATIVE AUDITOR

OFFICE OF  
**LEGISLATIVE AUDITOR**  
STATE OF LOUISIANA  
BATON ROUGE, LOUISIANA 70804-9397

1600 NORTH THIRD STREET  
POST OFFICE BOX 94397  
TELEPHONE: (225) 339-3800  
FACSIMILE: (225) 339-3870

February 1, 2006

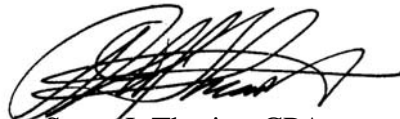
The Honorable Donald E. Hines,  
President of the Senate  
The Honorable Joe R. Salter,  
Speaker of the House of Representatives

Dear Senator Hines and Representative Salter:

This report gives the results of our performance audit of the cost of legal representation in Louisiana state government. The audit was conducted under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended.

The report contains our findings, conclusions, and recommendations. Appendix F contains the response of the Louisiana Department of Justice. I hope this report will benefit you in your legislative decision-making process.

Sincerely,



Steve J. Theriot, CPA  
Legislative Auditor

SJT/ss

[DOJSLR06]

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## EXECUTIVE SUMMARY

Louisiana's Constitution provides that the Attorney General is the chief legal officer of the state and the head of the Louisiana Department of Justice (DOJ). In addition to the attorneys at DOJ, the various executive branch state agencies can employ an attorney or hire an attorney on a contractual basis to represent their legal interests. The objective of this performance audit is to determine how much is spent annually on legal representation for the State of Louisiana. We identified legal costs for executive branch state agencies including colleges and universities and boards and commissions. We did not identify costs for state agencies within the legislative and judicial branches of state government or quasi-state entities such as ports and levee districts. Our results are summarized below.

### Performance Audit Results

#### Overall Cost of State Legal Representation *(See pages 9 through 13 of the report.)*

##### **An Average of at Least \$81 Million Per Year Is Spent on Legal Representation for the State of Louisiana.**

- The overall expenditures for state legal representation increased steadily from just over \$74 million in fiscal year 2001 to \$89 million in fiscal year 2004 at an average annual growth rate of 6.3 percent.
- These costs are distributed among DOJ (17 percent); state executive agencies other than DOJ (76 percent); state colleges and universities (4 percent); and state boards, commissions, and like entities (3 percent).
- The ten largest users of state legal representation account for approximately 76 percent of overall costs.

#### Cost of In-House Attorneys *(See pages 13 through 15 of the report.)*

##### **In-House Attorneys Represent Approximately 44 Percent of the Total Costs of State Legal Representation Over the Last Four Complete Fiscal Years.**

- Expenditures (salaries and benefits) on in-house attorneys increased from \$32.9 million in fiscal year 2001 (512 attorneys) to \$39.1 million in fiscal year 2004 (629 attorneys) at an average annual growth rate of 5.8 percent.
- The state has spent \$31.6 million in salaries and benefits for 613 in-house attorneys for the first three quarters of fiscal year 2005.
- The 10 largest users of in-house attorneys (by salary and benefit cost) account for approximately 76 percent of overall in-house attorney costs.

### **Cost of Contracted Attorneys** *(See pages 15 through 17 of the report.)*

#### **Contracts for Legal Services Represent 56 Percent of the Total Cost of State Legal Representation Over the Last Four Complete Fiscal Years.**

- Expenditures on contracts for legal services increased from \$41.4 million in fiscal year 2001 to \$50.1 million in fiscal year 2004 at an average annual growth rate of 6.6 percent.
- As of March 31, 2005, the state had already spent at least \$32 million on contracts for legal services in the 2005 fiscal year.
- The 10 largest users of contracted attorneys account for approximately 85 percent of the overall cost of contracts for legal services.

### **DOJ Legal Costs** *(See pages 17 through 18 of the report.)*

#### **The Cumulative Cost of DOJ Legal Representation Accounts for Approximately 17 Percent of the Total Cost of State Legal Representation.**

- DOJ expenditures for legal representation were relatively flat over the last four complete fiscal years, rising slightly from \$13.5 million in fiscal year 2001 to \$13.9 million in fiscal year 2004.
- While DOJ expenditures on legal representation were stable, the overall cost of legal representation in the rest of state government grew from \$60.9 million in fiscal year 2001 to \$75.2 million in fiscal year 2004.

### **Maintenance of Data on State Legal Representation Costs** *(See pages 18 through 19 of the report.)*

#### **Data Relating to State Legal Representation Are Not Centrally Maintained or Easily Accessible.**

- Without easy access to such data, state officials and policy makers may not be able to make the most well-informed, timely, and effective programmatic and budgetary decisions. Also, such data are necessary to control state spending for legal representation.

## AUDIT INITIATION AND INTRODUCTION

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### Audit Initiation and Objectives

We conducted this performance audit under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended. Louisiana Revised Statute 24:522 requires, in part, that the legislative auditor establish a schedule of performance audits to ensure that at least one performance audit is completed and published for each executive department within a seven-year period beginning with fiscal year 1998. In accordance with this requirement, the Office of Legislative Auditor developed a plan scheduling a performance audit of the Department of Justice to be conducted in fiscal year 2005. The Legislative Audit Advisory Council approved this audit on July 30, 2003.

The focus of this audit is to identify the costs of legal representation in Louisiana, including the Department of Justice (DOJ) and other executive branch state agencies for the fiscal years 2001 through 2004 and fiscal year 2005 (through March 2005). We define legal representation costs as the salaries and benefits of in-house attorneys and the costs of contract attorneys. Appendix A contains our audit scope and methodology.

The objective of this audit is:

How much is spent annually on legal representation for the State of Louisiana?

We did not address the performance of in-house or contracted attorneys in this audit. In addition, we did not address the monitoring of their performance by oversight entities. However, we previously issued performance reports that address such issues.

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### Overview of Department of Justice

**Purpose and Statutory Authority.** The state constitution provides that the Attorney General is the chief legal officer of the state and the head of DOJ. The Office of the Attorney General's mission is to protect the people and resources of the State of Louisiana by providing superior legal representation and interpretation, professional and effective law enforcement, and public education programs.

**Agency Structure and Expenditures.** The DOJ, Office of the Attorney General, has five programs: Administrative, Civil Law, Criminal Law and Medicaid Fraud, Risk Litigation, and Gaming. The department has a staff of approximately 465 employees. DOJ's expenditures to operate these programs increased by \$4 million (12.8%) from \$31.3 million in fiscal year 2003 to \$35.3 million in fiscal year 2005. Exhibit 1 on the following page details the amounts expended and the number of filled positions by program for fiscal years 2003 through 2005. According to department documents, the significant increase in expenditures, especially in the administrative program, is mostly due to the department's move to the Livingston Building during the fiscal year 2004, additional security, and rent paid for the building. In addition, the

Collections Division was moved from the Civil Program to the Administrative Program during fiscal year 2005.

<b>Exhibit 1</b> <b>Summary of DOJ's Staffing and Expenditures</b> <b>Fiscal Years 2003 Through 2005</b>						
<b>Program</b>	<b>Actual Expenditures and Staffing</b>					
	<b>2003</b>		<b>2004</b>		<b>2005</b>	
Administrative	\$3,125,951	50	\$4,996,998	50	\$6,267,438	65
Civil Law	7,192,486	102	7,337,790	102	6,509,285	87
Criminal Law*	5,271,534	76	5,171,874	50	5,397,208	84
Risk Litigation	10,930,445	171	11,739,986	171	12,686,245	171
Gaming	4,798,932	57	4,916,746	58	4,524,004	58
<b>Total Expenditures</b>	<b>\$31,319,348</b>	<b>456</b>	<b>\$34,163,394</b>	<b>431</b>	<b>\$35,384,180</b>	<b>465</b>
*Includes the Medicaid Fraud Unit <b>Source:</b> Prepared by legislative auditor's staff using financial data from the Division of Administration's Integrated Statewide Information System (ISIS) and for staffing, the Office of Planning and Budget's executive budgets for fiscal years 2005 and 2006 and the 2004 General Appropriations Act.						

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### State Legal Representation

The constitution also states that the Attorney General shall appoint assistant attorney generals who serve at his pleasure. As of March 2005 (FY 2005), the Attorney General employed 207 attorneys, referred to as assistant attorney generals, at the DOJ. In addition to the attorneys at the DOJ, the various state agencies, colleges and universities, and boards and commissions can employ an attorney or hire an attorney on a contractual basis to represent their legal interests. Various state laws and regulations provide for state legal representation, as summarized in Exhibit 2.

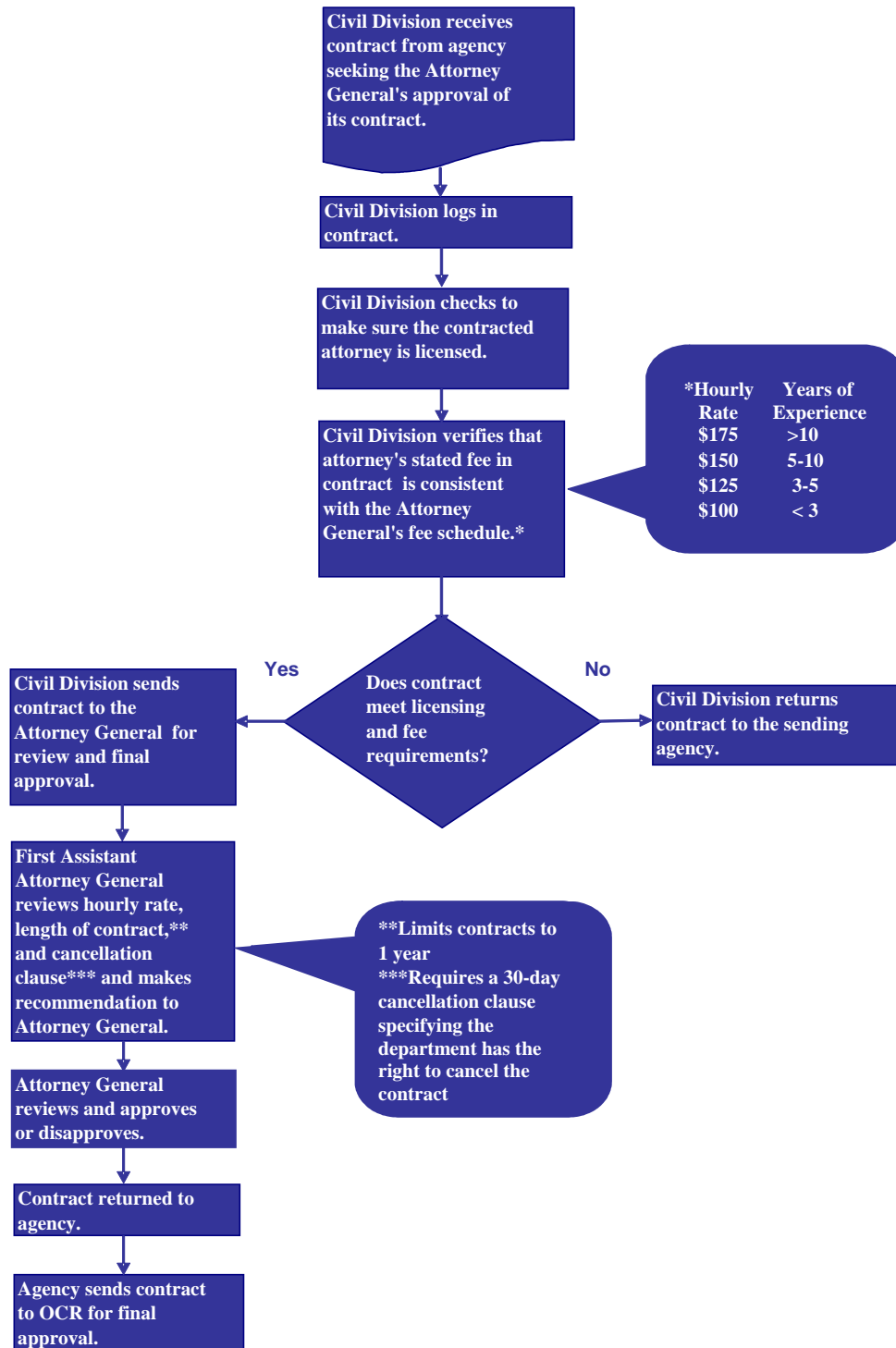
Exhibit 2 Summary of State Laws and Regulations Relating to Legal Representation	
Statutory Citation	Description
R.S. 49:257	The attorney general shall: <ul style="list-style-type: none"><li>• Represent the state and all departments and agencies of state government in all litigation arising out of or involving tort or contract</li><li>• Represent the interests of the state in any action or proceeding in which the constitutionality of a state statute or of a resolution of the legislature is challenged or assailed</li></ul>
R.S. 49:258	<ul style="list-style-type: none"><li>• Appoint private legal counsel to represent the state with the concurrence of the commissioner of administration using certain prescribed procedures</li></ul>
R.S. 42:261 R.S. 42:262 R.S. 42:263	<ul style="list-style-type: none"><li>• Supervise and control legal services for all state boards and commissions and local boards in parishes with populations of less than 70,000</li></ul>
R.S. 42:265	<ul style="list-style-type: none"><li>• Render special legal services to state boards and commission and parish boards when required by the governor</li></ul>
R.S. 49:257	Any department of state government may: <ul style="list-style-type: none"><li>• Employ a general counsel and such other attorneys as may be necessary to provide legal consultation, representation, and such other legal services</li></ul>
Civil Service Ruling January 7, 2004	<ul style="list-style-type: none"><li>• Employ an executive counsel effective on January 12, 2004 through January 14, 2008, if such authority does not currently exist</li></ul>
Source: Prepared by legislative auditor's staff based on research of state laws and regulations.	

**Contracts for Legal Representation.** As mentioned in Exhibit 2, the Attorney General's office can appoint private legal counsel to represent the state with the concurrence of the commissioner of administration (i.e., Division of Administration) using certain prescribed procedures. The Office of Contractual Review (OCR) is a section within the Division of Administration charged by law with adopting rules and regulations for the procurement, management, control and disposition of all professional, personal, consulting, and social services contracts that state agencies require. Contracts for legal representation are considered professional services within OCR's scope. OCR reviews all contracts received.

OCR regulations require that contracts for legal services also be reviewed by the attorney general in accordance with R.S. 49:258. The Attorney General's approval is evidenced by his signature on the contract documents or by a letter from the Attorney General. The Attorney General's office reviews each contract to ensure the attorney is licensed and the fee is appropriate, based on the attorney's years of experience.

DOJ's Civil Division initiates the Attorney General's review of professional legal services contracts entered into by state agencies; state colleges and universities; and state boards, commissions, and like entities. The basic process for the review of contracted legal services is shown in Exhibit 3 on the following page.

**Exhibit 3**  
**Contracted Legal Services Review Process**



**Source:** Created by legislative auditor's staff based on interviews with DOJ and OCR staff.

## HOW MUCH IS SPENT ANNUALLY ON LEGAL REPRESENTATION FOR THE STATE OF LOUISIANA?

An average of at least \$81 million per year is spent for legal representation associated with state-level operations (i.e., executive state agencies; colleges and universities; and boards, commissions, and like entities).

From fiscal year (FY) 2001 through FY 2004, contracts for legal services represented 56 percent (\$183.6 million) of the total cost of state legal representation. During the same period, salary and benefits costs for in-house attorneys (i.e., attorneys employed by the state) represented 44 percent (\$143.0 million) of the total cost of state legal representation.

Although statewide legal costs have increased, Department of Justice (DOJ) expenditures for legal representation remained relatively flat during the four-year period, rising slightly from \$13.5 million in FY 2001 to \$13.9 million in FY 2004.

Collective data relating to legal representation are not centrally maintained (i.e., complete data are not available from a single source) or easily accessible. These deficiencies could prevent legal costs from being properly controlled and lead to waste of public resources. Also, if lawmakers and other policy makers cannot readily obtain such data, their ability to make sound funding decisions may be affected.

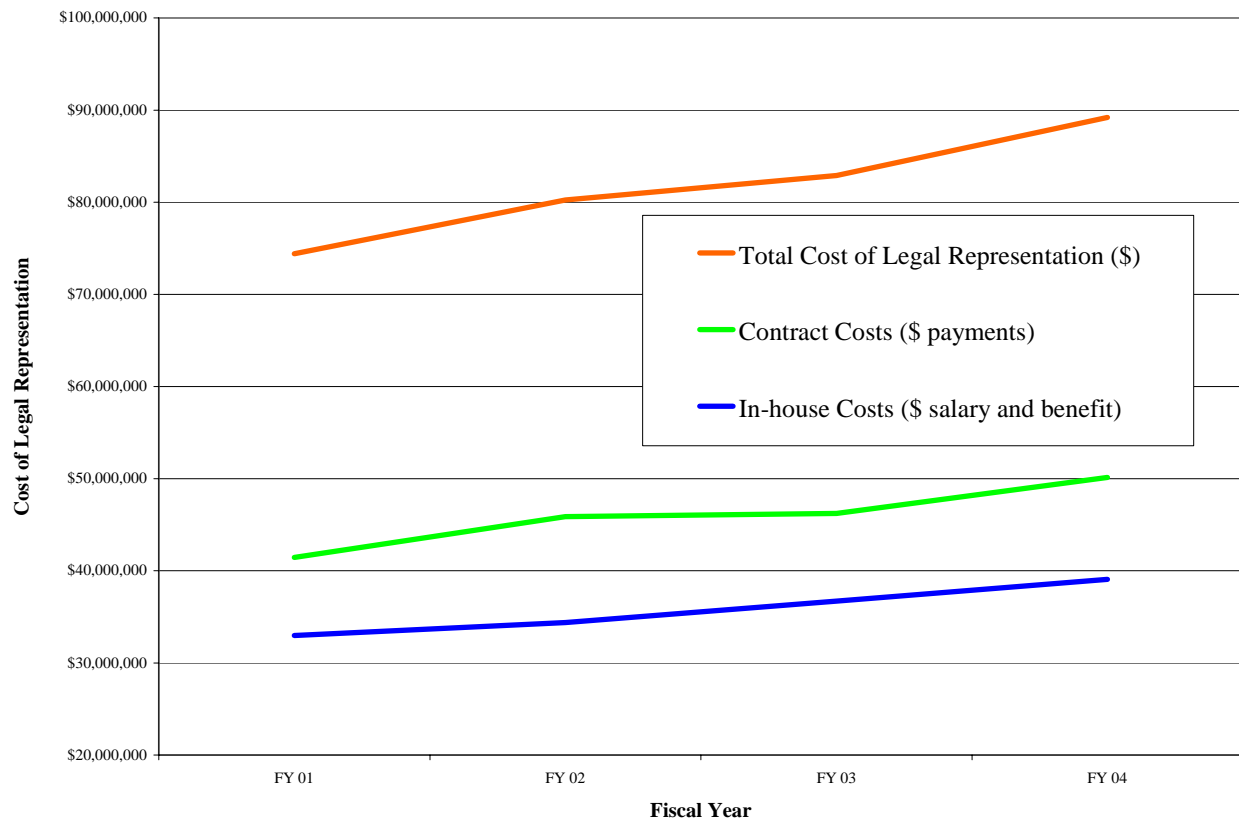
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### **An Average of at Least \$81 Million Is Spent Annually on Overall Legal Representation for the State of Louisiana**

The expenditure for state legal representation has increased steadily over the last four years, rising from just over \$74 million in FY 2001 to \$89 million in FY 2004 at an average annual growth rate of 6.3 percent. The cumulative cost of state legal representation for FY 2001 through FY 2004 amounted to at least \$326.8 million, averaging at least \$81 million per year.

These figures encompass legal representation for approximately 130 entities of state government, including executive state agencies; colleges and universities; and state boards, commissions, and like entities. A detail of overall expenditures for state legal representation is provided in Appendix B. Exhibit 4 on the following page shows general trends in the cost of state legal representation (including trends specific to in-house attorneys and contracts for legal services) for FY 2001 through FY 2004. Exhibits 5 through 9 present types of legal representation and the top state spenders for legal representation.

**Exhibit 4**  
**Trends in the Cost of State Legal Representation**  
**Fiscal Years 2001 Through 2004**



**Source:** Created by legislative auditor's staff based on data collected for cost of legal services.

**Average Annual Growth.** Over this period the average annual growth in expenditures for state legal representation was 6.3 percent, as shown in Exhibit 5. As a general comparison, total state general fund expenditures grew during this period by an annual average of 11.8 percent.

**Exhibit 5**  
**Growth in Expenditures for State Legal Representation**  
**Fiscal Years 2001 Through 2004**

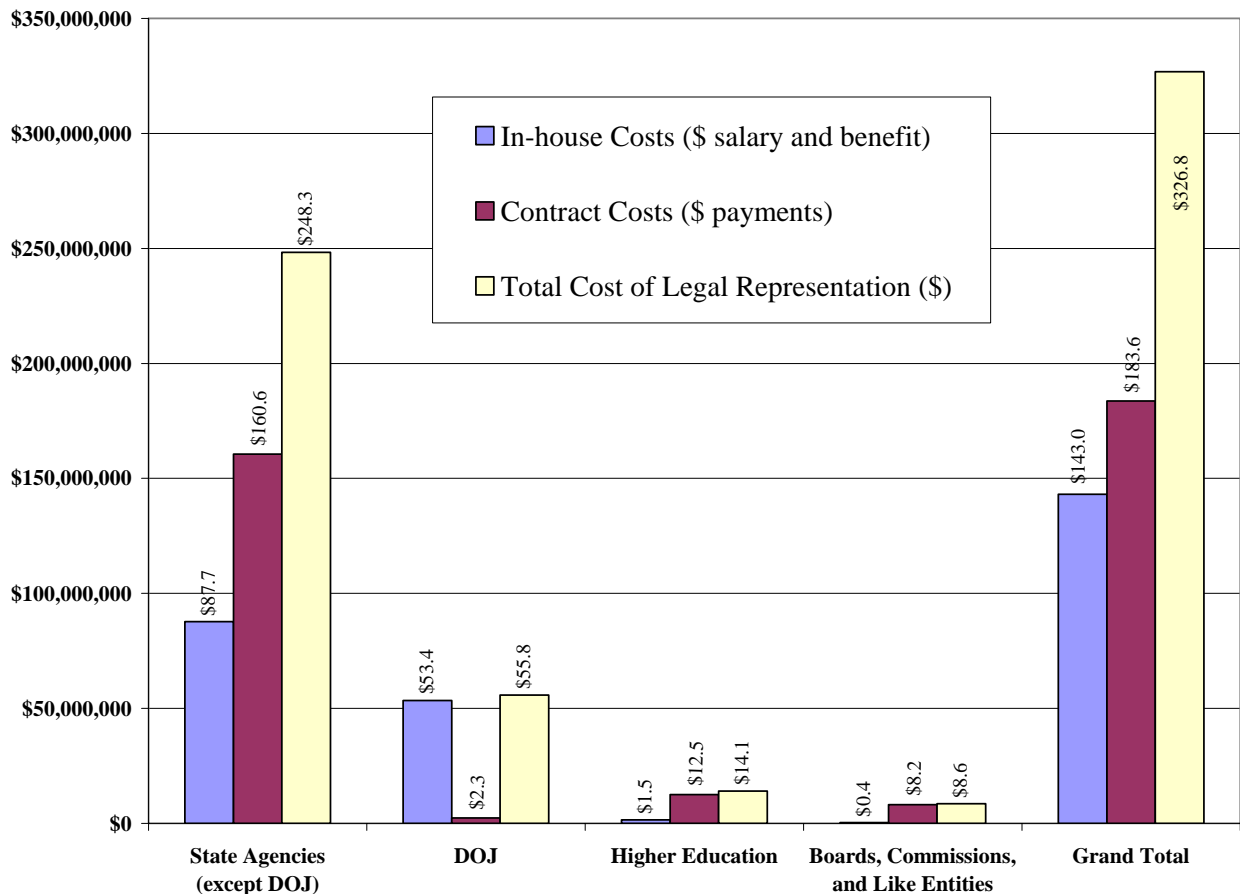
Figure	2001	2002	2003	2004	Average (2001-2004)
Total Cost of State Legal Representation	\$74,399,628	\$80,248,631	\$82,916,099	\$89,193,816	\$81,689,544
Annual % Change	--	7.9%	3.3%	7.6%	6.3%
Total Expenditure from State General Fund*	\$11,633,119,000	\$14,695,770,000	\$15,396,766,000	\$16,082,176,000	\$14,451,958,000
Annual % Change	--	26.3%	4.8%	4.5%	11.8%

\*Total state general fund expenditures with interagency transfers excluded.

**Source:** Created by legislative auditor's staff based on data collected for cost of legal services. The state general fund expenditures are reported in the State of Louisiana's fiscal year 2004 *Comprehensive Annual Financial Report*.

**Distribution of Cost by Entity.** During FY 2001 through FY 2004, approximately 76 percent of the costs of overall state legal representation were associated with executive state agencies, excluding DOJ. DOJ accounted for another 17.1 percent of overall expenditures. Higher education made up 4.3 percent and state boards, commissions, and like entities made up the remainder (2.6 percent). The distribution of expenditures for various categories of entities is shown in Exhibit 6.

**Exhibit 6**  
**Distribution of Costs for State Legal Representation by Type of Entity**  
**Fiscal Years 2001 Through 2004**  
**(expressed in millions)**



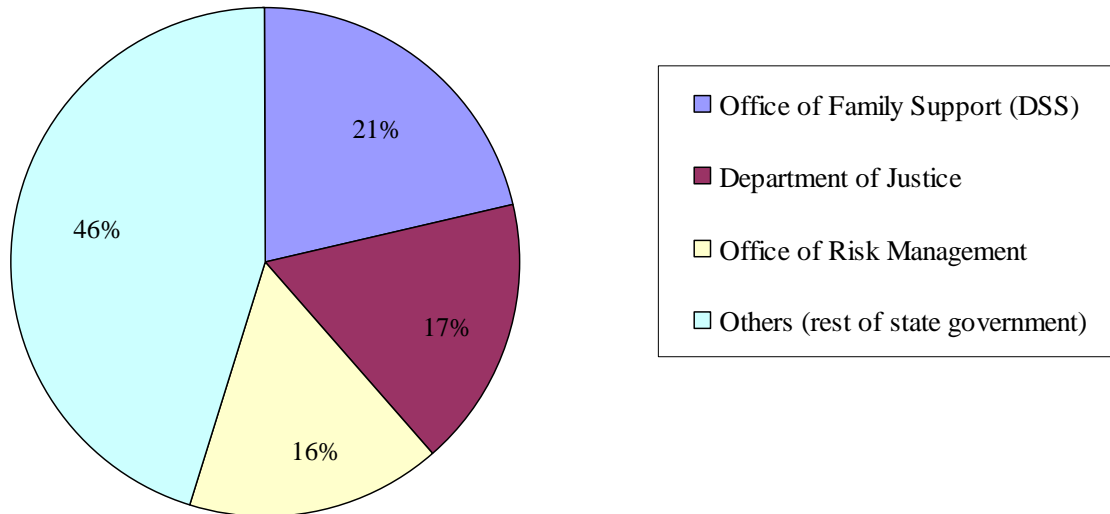
**Source:** Created by legislative auditor's staff based on data collected for cost of legal services.

**Ten Largest Users.** The 10 largest users of state legal representation accounted for 75.9 percent of overall costs during FY 2001 through FY 2004, as shown in Exhibit 7 on the following page. In fact, only three users account for a majority of the overall expenditures (55 percent, as shown in Exhibit 8 on the following page):

- Office of Family Support at the Department of Social Services (DSS)
- DOJ
- Office of Risk Management (ORM)

<b>Exhibit 7</b> <b>Top Ten Overall Users of State Legal Representation</b> <b>Fiscal Years 2001 Through 2004</b>			
Agency Name	Cumulative	Percentage of Total	Percentage of Total (Cumulative Total)
Office of Family Support (DSS)*	\$70,065,071	21.4%	21.4%
Department of Justice	\$55,783,516	17.1%	38.5%
Office of Risk Management	\$53,283,527	16.3%	54.8%
Indigent Defense Assistance Board	\$17,500,913	5.4%	60.2%
Public Service Commission**	\$13,585,517	4.2%	64.3%
Office of the Secretary (DHH)	\$12,605,922	3.9%	68.2%
Administration (DOTD)	\$6,829,416	2.1%	70.3%
Office of the Secretary (DSS)	\$6,501,329	2.0%	72.3%
Office of Workers Compensation (DOL)	\$6,437,728	2.0%	74.2%
Department of Revenue	\$5,509,082	1.7%	75.9%
*Approximately \$59 million of this amount is for DSS OFS support enforcement contracts with district attorneys throughout the state. **Utility companies paid approximately \$11 million of this amount for contract attorneys. <b>Source:</b> Created by legislative auditor's staff based on data collected for cost of legal services.			

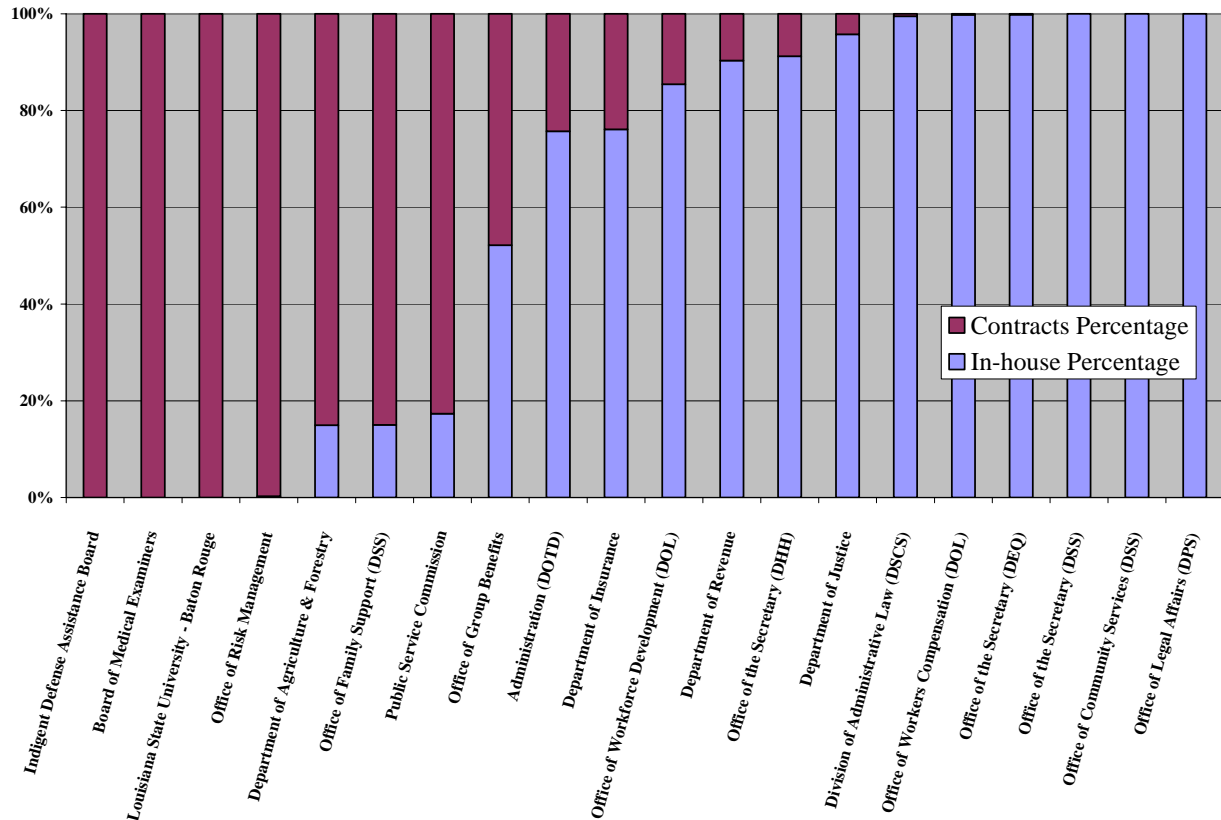
**Exhibit 8**  
**Distribution of Overall State Legal Representation by User**  
**Fiscal Years 2001 Through 2004**



**Source:** Created by legislative auditor's staff based on data collected for cost of legal services.

**Type of Legal Representation.** The largest users of state legal representation procure those services in different ways. Some employ in-house counsel(s) exclusively and others use only contract attorneys. Exhibit 9 below shows the sources from which the 20 largest users obtain state legal representation. The exhibit organizes state entities by their proportional use of in-house attorneys and contract attorneys during FY 2001 through FY 2004.

**Exhibit 9**  
**Sources of Legal Representation for Top Twenty Users**  
**Fiscal Years 2001 Through 2004**



**Source:** Created by legislative auditor's staff based on data collected for cost of legal services.

## **In-House Attorneys Represent 44 Percent of Total Expenditures for State Legal Representation**

During FY 2001 through FY 2004, salaries and benefits for in-house attorneys (i.e., attorneys employed by the state) represented 43.8 percent (approximately \$143.0 million) of the total cost of state legal representation. The expenditure on in-house attorneys increased during that period from \$32.9 million in FY 2001 (512 attorneys) to \$39.1 million in FY 2004 (629 attorneys). The state has spent \$31.6 million for the salaries and benefits for 613 in-house attorneys for the first three quarters of FY 2005. A detail of overall expenditures for in-house attorneys is provided in Appendix C. The number of attorneys employed at each state entity is

## STATE LEGAL REPRESENTATION

provided in Appendix D. These costs do not include other overhead costs for in-house legal staff, such as paralegals, law clerks, and other clerical staff in the law offices of state entities.

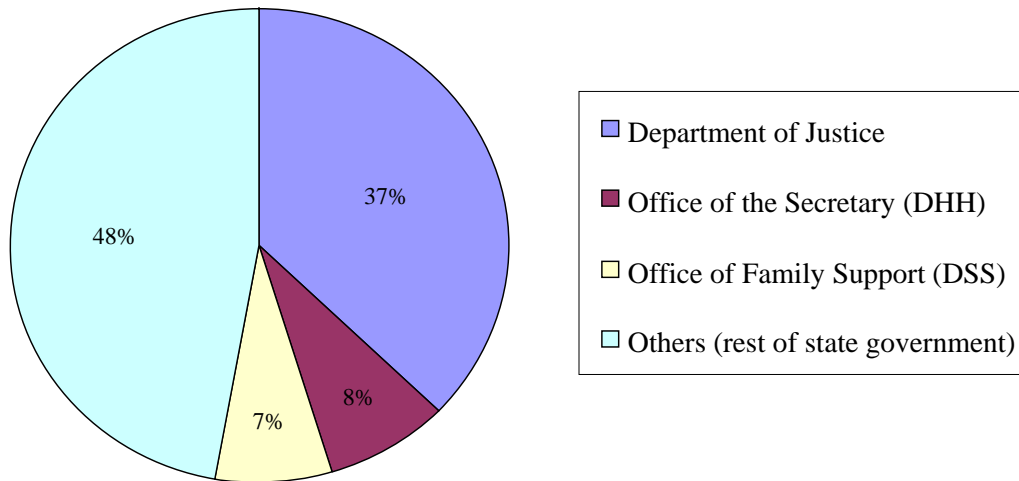
**Average Annual Growth.** Over this period the average annual growth in expenditures on in-house attorneys was 5.8% percent, as shown in Exhibit 10. As a general comparison, total state general fund expenditures grew during this period by an annual average of 11.8 percent.

<b>Exhibit 10</b> <b>Growth in Expenditures for In-house Attorneys</b> <b>Fiscal Years 2001 Through 2004</b>					
<b>Figure</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>Average</b>
Total Cost of State In-house Legal Representation	\$32,961,865	\$34,371,216	\$36,703,416	\$39,063,394	\$35,774,973
Annual % Change	--	4.3%	6.8%	6.4%	5.8%
Total Expenditure from State General Fund*	\$11,633,119,000	\$14,695,770,000	\$15,396,766,000	\$16,082,176,000	\$14,451,958,000
Annual % Change	--	26.3%	4.8%	4.5%	11.8%
*Total state general fund expenditures with interagency transfers excluded. <b>Source:</b> Created by legislative auditor's staff based on data collected for cost of legal services. The state general fund expenditures are reported in the State of Louisiana's fiscal year 2004 <i>Comprehensive Annual Financial Report</i> .					

**Ten Largest Users.** The 10 largest users of in-house attorneys (by salary and benefit cost) accounted for 76 percent of overall in-house attorney costs during FY 2001 through FY 2004, as shown in Exhibit 11. DOJ spent more on in-house attorneys than any other single state entity, accounting for 37.3 percent of total expenditures for in-house attorneys during these four fiscal years. Exhibit 12 on the following page shows the overall distribution of in-house attorneys by (employer).

<b>Exhibit 11</b> <b>Top Ten Employers (by salary and benefit cost) of In-house Attorneys</b> <b>Fiscal Years 2001 Through 2004</b>			
<b>Agency Name</b>	<b>Cumulative</b>	<b>Percentage of Total</b>	<b>Percentage of Total (Cumulative Total)</b>
Department of Justice	\$53,414,495	37.3%	37.3%
Office of the Secretary (DHH)	\$11,496,351	8.0%	45.4%
Office of Family Support (DSS)	\$10,520,620	7.4%	52.7%
Office of the Secretary (DSS)	\$6,501,329	4.5%	57.3%
Office of Workers Compensation (DOL)	\$6,424,590	4.5%	61.7%
Administration (DOTD)	\$5,170,831	3.6%	65.4%
Department of Revenue	\$4,976,651	3.5%	68.8%
Office of the Secretary (DEQ)	\$4,124,480	2.9%	71.7%
Department of Insurance	\$3,108,559	2.2%	73.9%
Division of Administrative Law (DSCS)	\$3,083,442	2.2%	76.0%
<b>Source:</b> Created by legislative auditor's staff based on data collected for cost of legal services.			

**Exhibit 12**  
**Distribution of In-house Attorney Costs by Employer**  
**Fiscal Years 2001 Through 2004**



**Source:** Created by legislative auditor's staff based on data collected for cost of legal services.

### **Contracts for Legal Services Represent 56 Percent of Total Expenditures for State Legal Representation**

During FY 2001 through FY 2004, contracts for legal services represented approximately 56 percent (\$183.6 million) of the total cost of state legal representation. The expenditure on contracts for legal services increased during that period from \$41.4 million in FY 2001 to \$50.1 million in FY 2004. As of March 31, 2005, the state had already spent at least \$32 million on contracts for legal services in FY 2005. Since eight state boards and commissions did not respond to DOJ surveys, these figures may understate actual expenditures on contracts for legal services. A detail of overall expenditures for contracts for legal services is provided in Appendix E.

**Average Annual Growth.** Over this period the average annual growth in expenditures for contracts for legal services was 6.6 percent, as shown in Exhibit 13 on the following page. As a general comparison, total state general fund expenditures grew during this period by an annual average of 11.8 percent.

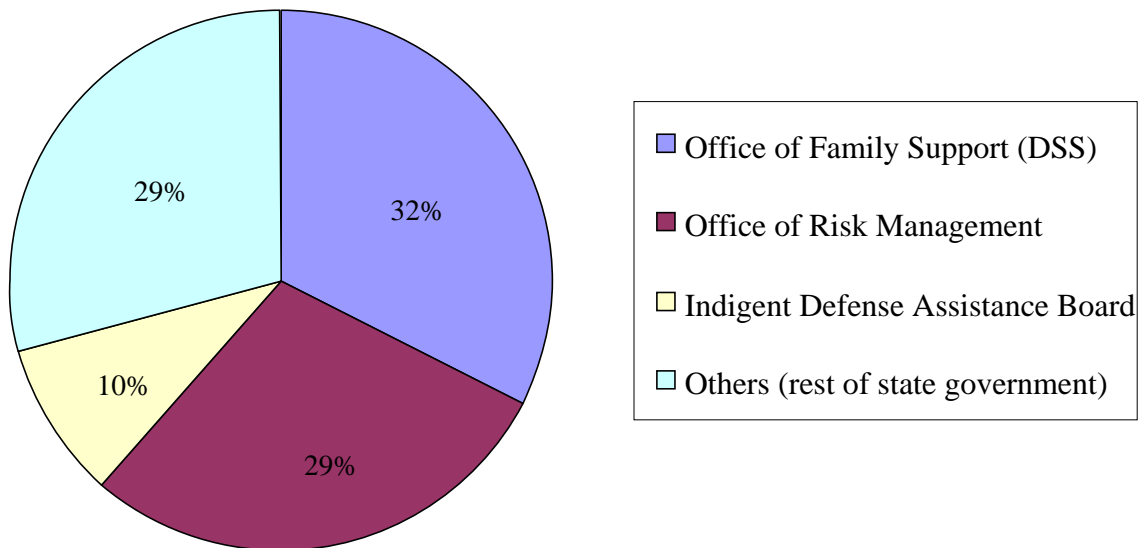
<b>Exhibit 13</b> <b>Growth in Expenditures for Contracts for Legal Services</b> <b>Fiscal Years 2001 Through 2004</b>					
<b>Figure</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>Average</b>
Total Cost of Contracted State Legal Representation	\$41,437,761	\$45,877,417	\$46,212,684	\$50,130,422	\$45,914,571
Annual % Change	--	10.7%	0.7%	8.5%	6.6%
Total Expenditure from State General Fund*	\$11,633,119,000	\$14,695,770,000	\$15,396,766,000	\$16,082,176,000	\$14,451,958,000
Annual % Change	--	26.3%	4.8%	4.5%	11.8%
*Total state general fund expenditures with interagency transfers excluded. <b>Source:</b> Created by legislative auditor's staff based on data collected for cost of legal services. The state general fund expenditures are reported in the State of Louisiana's fiscal year 2004 <i>Comprehensive Annual Financial Report</i> .					

**Ten Largest Users.** The 10 largest users of contracted legal services accounted for 84.9 percent of overall expenditures on contracts for legal services during FY 2001 through FY 2004, as shown in Exhibit 14. In fact, only three users account for a majority of the overall expenditures (71 percent, as shown in Exhibit 15 on the following page):

- Office of Family Support at DSS
- ORM
- Indigent Defense Assistance Board

<b>Exhibit 14</b> <b>Top Ten Users of Contract Attorneys</b> <b>Fiscal Years 2001 Through 2004</b>			
<b>Agency Name</b>	<b>Cumulative</b>	<b>Percentage of Total</b>	<b>Percentage of Total (Cumulative Total)</b>
Office of Family Support (DSS)*	\$59,544,451	32.4%	32.4%
Office of Risk Management	\$53,140,897	28.9%	61.4%
Indigent Defense Assistance Board	\$17,500,913	9.5%	70.9%
Public Service Commission**	\$11,234,113	6.1%	77.0%
Board of Medical Examiners	\$3,846,461	2.1%	79.1%
Louisiana State University - Baton Rouge	\$2,930,412	1.6%	80.7%
Department of Justice	\$2,369,022	1.3%	82.0%
LSU Medical Center - New Orleans	\$1,940,899	1.1%	83.0%
Department of Agriculture and Forestry	\$1,769,779	1.0%	84.0%
Facility Planning (DOA)	\$1,689,919	0.9%	84.9%
*Approximately \$59 million of this amount is for DSS OFS support enforcement contracts with district attorneys throughout the state. **Utility companies paid this amount for contract attorneys. <b>Source:</b> Created by legislative auditor's staff based on data collected for cost of legal services.			

**Exhibit 15**  
**Distribution of Contracts for Legal Services by User**  
**Fiscal Years 2001 Through 2004**



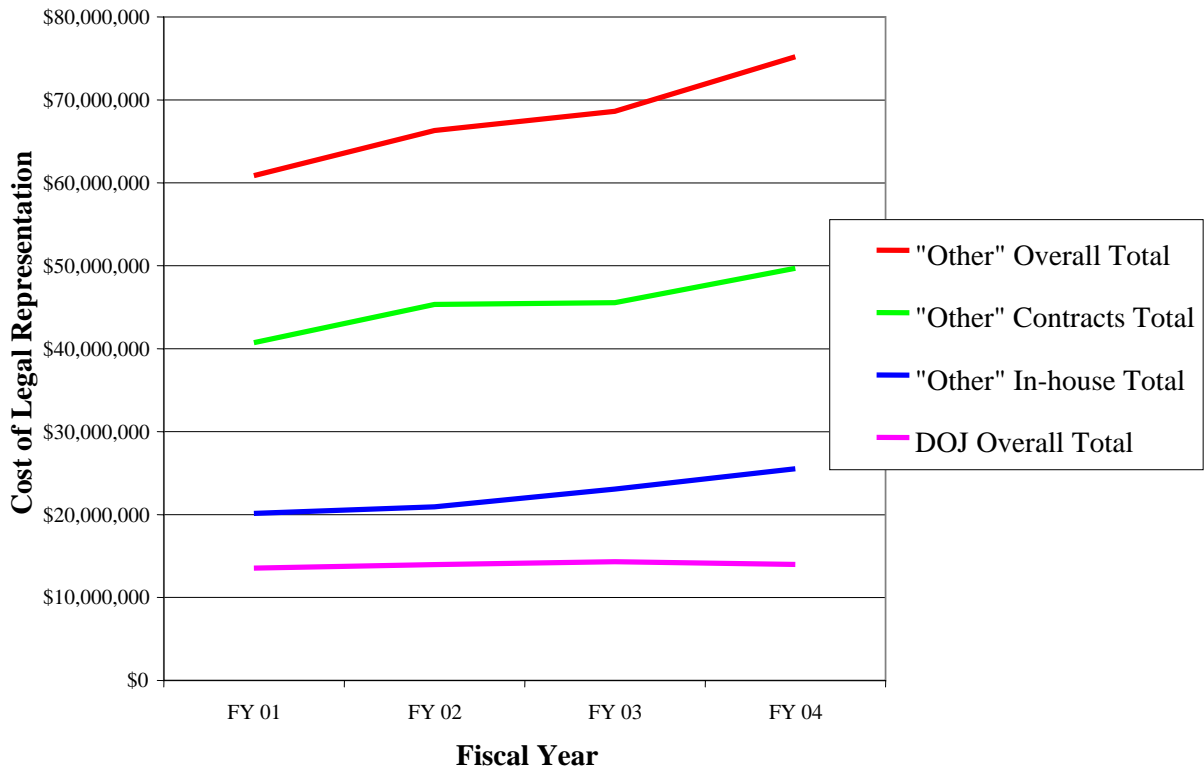
**Source:** Created by legislative auditor's staff based on data collected for cost of legal services.

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### **DOJ Expenditures Account for 17 Percent of Total Cost of State Legal Representation**

According to state law, DOJ serves as Louisiana's chief provider of legal representation. However, in terms of users, DOJ ranks second in total dollars spent on legal services after DSS, Office of Family Support. During the period under analysis in this audit, DOJ expenditures for legal representation remained relatively flat, rising slightly from \$13.5 million in FY 2001 to \$13.9 million in FY 2004. While DOJ expenditures on legal representation have been stable over this period, the overall cost of legal representation in the rest of state government has grown from \$60.9 million in FY 2001 to \$75.2 million in FY 2004, as shown in Exhibit 16 on the following page.

**Exhibit 16**  
**Trends in Cost of Legal Representation for DOJ**  
**and Other State Government Entities**  
**Fiscal Years 2001 Through 2004**



**Source:** Created by legislative auditor's staff based on data collected for cost of legal services.

The cumulative cost of DOJ legal representation for FY 2001 through FY 2004 amounted to \$55.8 million or 17.1 percent of the total cost of state legal representation. Salaries and benefits for in-house attorneys at DOJ account for 96 percent of these expenditures, amounting to a cumulative total of \$53.4 million for FY 2001 through FY 2004. For the first three quarters of FY 2005, DOJ has incurred expenditures of \$10.2 million for salary and benefit costs of in-house attorneys.

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### **Maintenance of Data for Legal Representation Costs Needs Improvement**

Data relating to legal representation costs are not centrally maintained or easily accessible. On a statewide level, for example, some state agencies, many colleges and universities, and most boards and commissions do not report payroll information (e.g., data on in-house attorneys) to ISIS, which includes the Human Resources system. In addition, many state agencies do not make payments for contract attorneys through the ISIS Contract Financial

Management System. In addition, some state agencies and many colleges and universities do not maintain integrated data on legal representation and therefore cannot readily provide such data.

Even in cases where data are available, lack of uniformity in reporting standards prevented us from compiling certain data elements across state entities (e.g., cumulative number of contracts for legal services). For example, institutions of the University of Louisiana (UL) System maintain data on contracts in local accounting systems with varying degrees of reporting detail. These differences prevented us from compiling information on the number of contracts for legal services for the entire UL System and contributed, along with similar deficiencies at other entities, to the difficulty of compiling the number of contracts for all of state government.

While the particular nature of these deficiencies is unique to each state entity, some general causes of poor maintenance of data are (1) exemptions for certain state entities from the ISIS reporting requirements; (2) inadequate transitions from legacy systems to new technologies; and (3) poor integration of data across university systems. According to one state official, Louisiana state government lacks sufficient accounting standardization, even for processing payments.

These deficiencies could have negative effects on the operations of state agencies. Without easy access to such data, state officials and policy makers may not be able to make the most well-informed, timely, and effective programmatic and budgetary decisions relating to legal representation. Also, such data are necessary to control state spending for legal representation.

**Matter for Legislative Consideration 1:** The legislature should consider amending R.S. 49:257 to require that departments of state government that employ a general counsel and contract with other attorneys consistently maintain accurate data on legal costs and periodically report such to the Department of Justice.

**Management's Response:** The DOJ agrees with this recommendation. In addition, DOJ requests the legislature to consider enacting legislation to prevent state government agencies from filing individual law suits on behalf of the State without the knowledge and consent of the Attorney General. (See Appendix F for management's full response.)

**Recommendation 1:** The Department of Justice, as the chief provider of legal representation for the State of Louisiana, should lead a coordinated effort to improve information collection and maintenance on legal representation across state government. This effort should include the establishment and maintenance of a centralized source for legal representation data.

**Management's Response:** The DOJ agrees with this recommendation. DOJ plans to coordinate with the Division of Administration to obtain the information necessary to implement this recommendation. (See Appendix F for management's full response.)

**Recommendation 2:** The Department of Justice should establish a process by where it is informed of all in-house attorneys hired by state entities. Also, the department should record such information in a centralized data source.

**Management's Response:** The DOJ agrees with this recommendation. To implement this recommendation, DOJ plans to coordinate with the Division of Administration to obtain the authority to require state entities to provide the information. (See Appendix F for management's full response.)

**Recommendation 3:** The Department of Justice should record all contracts at the point of its review in a centralized data source.

**Management's Response:** The DOJ agrees with this recommendation. DOJ plans to design a database to record all contract information in a centralized location at the point of review. In addition, DOJ requests the legislature to consider enacting stricter laws controlling the use of outside legal counsel. (See Appendix F for management's full response.)

**Issue for Further Study:** If state law is amended as recommended in Matter for Legislative Consideration 1 and accurate data are consistently maintained and reported, a study should be conducted addressing legal costs and services for Louisiana. This study should determine whether state agencies are reporting the appropriate data to DOJ and DOJ is properly maintaining the data. If adequate data are maintained, then the study should also determine whether it is more cost-effective and efficient to use in-house and contracted attorneys or to concentrate resources with the Department of Justice, as the chief provider of legal representation for the State of Louisiana.

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## SCOPE AND METHODOLOGY

We conducted this performance audit under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended. We followed the applicable generally accepted government auditing standards as promulgated by the Comptroller General of the United States. Preliminary work on this audit began in February of 2005.

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### Scope

This audit focuses on legal representation used by the executive branch of state government which includes colleges and universities, boards and commissions, and executive departments (e.g., DHH). Our work did not include identification of legal costs for the legislative and judicial branches of state government or quasi-state entities such as ports and levee districts.

In addition, we did not address performance or monitoring of performance for in-house and contract attorneys. Our primary focus of this audit was to identify legal costs. However, on December 13, 2000, we issued a report titled “Department of Justice, Selection of and Authorized Rates for Legal Services Contractors Used in Civil Cases and Personal Injury Claims Against the State.” Also, on March 10, 2004, we issued a report that followed-up on the 2000 report titled “Follow-up Study on Previously Issued Performance Audits and Staff Studies.” These reports address issues that are performance-related in nature.

The audit period spanned four fiscal years from 2001 through 2004. In addition, data were collected for the current fiscal year (2005) through at least March 2005. This topic will provide agency staff and policy makers with information that is currently not centrally maintained and not easily accessible.

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### Methodology

We performed several tasks, which include the following:

- Reviewed laws and information concerning the DOJ and state legal representation
- Held an entrance conference with DOJ on February 23, 2005
- Analyzed DOJ’s expenditures, staffing, and budget information
- Conducted interviews with DOJ, the Office of Contractual Review, the Office of Risk Management, and the Office of Planning and Budget

## STATE LEGAL REPRESENTATION

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- Discussed the audit scope with the Legislative Fiscal Office staff, House Appropriations Committee staff, Senate Finance Committee staff, House Judiciary Committee staff, and Senate Judiciary Committee staff
- Defined legal representation costs as the salaries and benefits of in-house attorneys at state agencies (not including associated costs such as clerical staff, law clerks, etc.); contracted costs for state entities; and costs funded from external sources when the legal representation was provided to a state entity (e.g., Public Service Commission)
- Determined the cost of legal representation by obtaining, compiling, and analyzing information from the following sources:
  - Division of Administration's Integrated Statewide Information System (ISIS) Human Resources (HR) System, Contract Financial Management System (CFMS), and the Advantage Financial System (AFS)
  - Louisiana Community and Technical College System
  - Southern University System
  - Louisiana State University System
  - University of Louisiana System
  - Department of Transportation and Development
  - Various boards and commissions
- For the information extracted from the various ISIS systems, confirmed the amounts extracted with the top 16 agencies and 12 other agencies
- Conducted other research, analysis, and procedures, as needed

## DETAIL OF EXPENDITURES FOR OVERALL LEGAL REPRESENTATION

		Total Cost of Legal Representation (\$) by Fiscal Year					
Department/ Type of Entity	Agency Name*	2001	2002	2003	2004	2001-2004 Total	2005 Year to Date**
Ancillary Funds	Office of Group Benefits	\$402,777	\$787,663	\$776,251	\$434,221	\$2,400,912	\$287,416
	Office of Risk Management	\$9,687,299	\$13,057,326	\$13,944,190	\$16,594,712	\$53,283,527	\$10,723,153
	Prison Enterprises	\$67,260	\$69,019	\$71,707	\$13,187	\$221,173	\$7,546
Department of Agriculture and Forestry	Department of Agriculture and Forestry	\$419,866	\$503,936	\$377,216	\$779,673	\$2,080,691	\$381,444
Department of Civil Service	Department of Civil Service	\$521,122	\$458,568	\$428,920	\$420,039	\$1,828,649	\$311,132
	Ethics Administration	\$310,445	\$332,997	\$335,440	\$386,730	\$1,365,612	\$280,412
	State Police Commission	\$0	\$0	\$31,409	\$33,050	\$64,459	\$22,553
	Division of Administrative Law	\$681,365	\$735,106	\$780,018	\$902,969	\$3,099,458	\$671,084
Department of Corrections	Administration (Headquarters)	\$507,514	\$453,974	\$394,205	\$428,139	\$1,783,832	\$466,818
	Louisiana State Penitentiary	\$0	\$0	\$65,484	\$72,256	\$137,740	\$55,964
	Elayn Hunt Correctional Center	\$0	\$0	\$6,377	\$20,740	\$27,117	\$15,086
	David Wade Correctional Center	\$11,698	\$12,950	\$0	\$0	\$24,648	\$0
Department of Culture, Recreation and Tourism	Office of the Secretary	\$50,380	\$102,132	\$158,642	\$153,429	\$464,583	\$26,230
	Office of State Parks	\$53,116	\$56,160	\$67,193	\$38,948	\$215,417	\$0
Department of Economic Development	Office of the Secretary	\$87,934	\$147,391	\$148,256	\$201,385	\$584,966	\$114,336
	Business Services	\$0	\$560	\$0	\$1,147	\$1,707	\$7,507
	Board of Architectural Examiners	\$22,658	\$27,970	\$31,630	\$29,688	\$111,946	\$16,050
	Cemetery Board	\$20,708	\$23,385	\$27,030	\$34,039	\$105,162	\$23,888
	Board of Certified Public Accountants	\$21,265	\$19,909	\$24,223	\$24,531	\$89,928	\$18,919
	Real Estate Appraisers Board	\$1,188	\$2,844	\$5,313	\$5,012	\$14,357	\$1,440
	Licensing Board for Contractors	\$76,671	\$67,983	\$67,707	\$75,164	\$287,525	\$60,374
	Real Estate Commission	\$32,583	\$39,115	\$33,338	\$27,382	\$132,418	\$17,153
	Examiners of Certified Shorthand Reporters	\$0	\$6,815	\$1,245	\$1,006	\$9,066	\$0
	Recreational and Used Motor Vehicle Commission	\$62,054	\$58,689	\$57,023	\$35,044	\$212,810	\$47,733
	Motor Vehicle Commission	\$116,959	\$142,719	\$151,424	\$143,060	\$554,162	\$166,465
	Auctioneers Licensing Board	\$4,870	\$5,619	\$4,614	\$4,584	\$19,687	\$22,198
Department of Education	State Activities	\$253,447	\$255,079	\$360,733	\$468,785	\$1,338,044	\$330,195

# STATE LEGAL REPRESENTATION

Department/ Type of Entity	Agency Name*	Total Cost of Legal Representation (\$) by Fiscal Year					
		2001	2002	2003	2004	2001-2004 Total	2005 Year to Date**
Department of Environmental Quality	Office of the Secretary	\$1,004,796	\$1,058,153	\$961,256	\$1,107,369	\$4,131,574	\$871,364
	Office of Environmental Assessment	\$0	\$66,266	\$69,690	\$73,528	\$209,484	\$60,100
	Office of Management and Finance	\$18,743	\$42,531	\$19,271	\$44,384	\$124,929	\$49,676
Department of Health and Hospitals	Medical Vendor Administration	\$0	\$2,207	\$0	\$0	\$2,207	\$0
	Office of the Secretary	\$2,799,142	\$2,708,994	\$3,400,794	\$3,696,992	\$12,605,922	\$3,018,320
	Office of Public Health	\$0	\$164,952	\$149,902	\$171,119	\$485,973	\$85,738
	Office of Mental Health	\$0	\$1,325	\$2,700	\$0	\$4,025	\$0
	Southeast Louisiana Hospital	\$0	\$0	\$43,969	\$0	\$43,969	\$0
	Board of Chiropractic Examiners	\$1,416	\$1,054	\$2,513	\$638	\$5,621	\$1,988
	Board of Embalmers and Funeral Directors	\$47,809	\$47,131	\$47,322	\$52,314	\$194,576	\$35,893
	Board of Medical Examiners	\$954,533	\$974,036	\$956,802	\$961,090	\$3,846,461	\$651,588
	Board of Nursing	\$64,746	\$109,289	\$138,048	\$113,687	\$425,770	\$100,716
	Board of Physical Therapy Examiners	\$123,793	\$145,837	\$51,745	\$115,778	\$437,153	\$80,182
	Board of Examiners of Nursing Facility Administrators	\$14,344	\$28,316	\$26,637	\$17,420	\$86,717	\$21,765
	Board for Hearing Aid Dealers	\$626	\$3,788	\$8,797	\$7,583	\$20,794	\$3,280
	Board of Veterinary Medicine Examiners	\$52,544	\$60,451	\$75,120	\$103,125	\$291,240	\$93,990
	Board of Dentistry	\$188,653	\$183,583	\$118,906	\$86,233	\$577,375	\$85,936
	Board of Wholesale Drug Distributors	\$3,216	\$2,275	\$2,828	\$10,235	\$18,554	\$10,079
	Licensed Professional Counselors Board of Examiners	\$11,184	\$7,964	\$3,850	\$1,584	\$24,582	\$1,335
	Board of Examiners of Psychologists	\$8,887	\$6,356	\$15,394	\$3,471	\$34,108	\$5,115
	Board of Pharmacy	\$75,029	\$82,035	\$85,628	\$93,736	\$336,428	\$100,723
Department of Insurance	Department of Insurance	\$993,053	\$1,065,646	\$980,059	\$1,044,982	\$4,083,740	\$664,438
Department of Justice	Department of Justice	\$13,532,758	\$13,961,459	\$14,297,818	\$13,991,481	\$55,783,516	\$10,577,913
Department of Labor	Office of Workforce Development	\$390,643	\$490,965	\$644,088	\$689,454	\$2,215,150	\$522,678
	Office of Workers Compensation	\$2,054,526	\$1,285,915	\$1,414,742	\$1,682,545	\$6,437,728	\$1,394,067
	Plumbing Board	\$40,077	\$33,643	\$44,766	\$39,463	\$157,949	\$38,782

		Total Cost of Legal Representation (\$) by Fiscal Year					
Department/ Type of Entity	Agency Name*	2001	2002	2003	2004	2001-2004 Total	2005 Year to Date**
Department of Natural Resources	Office of Secretary	\$289,353	\$561,844	\$245,266	\$380,116	\$1,476,579	\$253,336
	Office of Conservation	\$119,420	\$113,825	\$91,759	\$102,542	\$427,546	\$69,819
	Office of Mineral Resources	\$221,114	\$382,048	\$219,776	\$285,911	\$1,108,849	\$128,344
	Office of Coastal Restoration and Management	\$111,276	\$125,111	\$56,936	\$101,220	\$394,543	\$6,393
Department of Public Safety	Office of State Police	\$0	\$63,445	\$146,624	\$163,881	\$373,950	\$161,711
	Office of Motor Vehicles	\$0	\$0	\$80,723	\$112,955	\$193,678	\$86,854
	Office of Legal Affairs	\$716,236	\$695,441	\$569,809	\$642,972	\$2,624,458	\$469,628
	Office of State Fire Marshal	\$53,190	\$55,897	\$105,289	\$103,395	\$317,771	\$81,545
	Public Safety Services - Louisiana Gaming Control Board	\$189,124	\$40,486	\$37,540	\$49,911	\$317,061	\$35,766
	Board of Private Investigators	\$44,419	\$38,959	\$60,276	\$61,787	\$205,441	\$27,468
Department of Public Service	Public Service Commission	\$3,273,617	\$2,830,400	\$3,115,052	\$4,366,448	\$13,585,517	\$2,301,459
Department of Revenue and Taxation	Department of Revenue	\$1,164,071	\$1,397,108	\$1,444,589	\$1,503,314	\$5,509,082	\$1,166,086
	Tax Commission	\$284,388	\$333,535	\$209,589	\$225,675	\$1,053,187	\$191,793
Department of Social Services	Office of Family Support ***	\$16,616,168	\$17,490,343	\$17,658,040	\$18,300,520	\$70,065,071	\$10,778,591
	Office of the Secretary	\$1,551,845	\$1,620,199	\$1,628,584	\$1,700,701	\$6,501,329	\$1,451,680
	Office of Community Services	\$745,533	\$738,716	\$751,531	\$780,570	\$3,016,350	\$591,685
Department of State	Secretary of State	\$134,328	\$142,197	\$162,555	\$203,386	\$642,466	\$389,073
	Department of Elections and Registration	\$81,690	\$89,424	\$133,676	\$108,341	\$413,131	\$0
Department of Transportation and Development	Administration	\$1,559,916	\$1,717,279	\$1,605,233	\$1,946,988	\$6,829,416	\$1,583,608
	Professional Engineering and Land Surveying Board	\$51,599	\$40,936	\$57,198	\$62,817	\$212,550	\$58,057
Department of Treasury	State Treasurer Operating	\$0	\$55,111	\$70,658	\$98,923	\$224,692	\$132,563
	Bond Commission	\$73,910	\$130,772	\$129,948	\$32,975	\$367,605	\$255,000
Department of Wildlife and Fisheries	Office of Management and Finance	\$13,942	\$2,530	\$0	\$9,349	\$25,821	\$14,513
	Secretary - Administration	\$253,710	\$258,200	\$281,076	\$324,020	\$1,117,006	\$213,878
	Office of Wildlife	\$6,507	\$8,383	\$87,383	\$31,108	\$133,381	\$9,904
Department of Youth Development Services	Youth Development (Headquarters)	\$126,907	\$125,927	\$187,222	\$270,431	\$710,487	\$360,641

# STATE LEGAL REPRESENTATION

		Total Cost of Legal Representation (\$) by Fiscal Year					
Department/ Type of Entity	Agency Name*	2001	2002	2003	2004	2001-2004 Total	2005 Year to Date**
Executive Department	Executive Office	\$215,683	\$375,828	\$358,263	\$340,239	\$1,290,013	\$291,231
	Indigent Defense Assistance Board****	\$4,256,510	\$4,342,301	\$4,470,857	\$4,431,245	\$17,500,913	\$3,502,330
	Oil Spill Coordinator's Office	\$34,950	\$29,551	\$45,664	\$47,521	\$157,686	\$0
	Mental Health Advocacy Service	\$239,340	\$449,689	\$482,212	\$509,136	\$1,680,377	\$477,305
	Manufactured Housing Commission	\$0	\$0	\$10,400	\$11,600	\$22,000	\$11,450
	Commissioner's Office	\$472,664	\$359,936	\$542,682	\$534,047	\$1,909,329	\$458,509
	Office of General Counsel	\$73,455	\$55,595	\$23,071	\$5,173	\$157,294	\$3,031
	Office of State Lands	\$1,365	\$53,544	\$12,729	\$77,789	\$145,427	\$6,425
	Construction Litigation Auxiliary	\$0	\$0	\$0	\$0	\$0	\$1,000
	Department of Military	\$0	\$0	\$0	\$42,503	\$42,503	\$66,213
	Patient's Compensation Fund Oversight Board	\$118,131	\$111,424	\$126,826	\$128,570	\$484,951	\$71,721
	Facility Planning	\$1,001,485	\$301,803	\$337,849	\$48,782	\$1,689,919	\$0
	Louisiana Stadium and Exposition District	\$186,900	\$955,603	\$223,918	\$218,689	\$1,585,110	\$286,881
	Board of Tax Appeals	\$24,000	\$28,800	\$28,800	\$28,800	\$110,400	\$21,600
	Office of Elderly Affairs	\$176,937	\$190,871	\$205,452	\$208,049	\$781,309	\$127,541
	Racing Commission	\$27,133	\$36,857	\$41,598	\$46,704	\$152,292	\$26,250
	Office of Financial Institutions	\$260,976	\$282,729	\$295,046	\$310,287	\$1,149,038	\$276,985
	Board of Cosmetology	\$21,623	\$22,170	\$24,069	\$18,439	\$86,301	\$20,393
Higher Education	Board of Regents for Higher Education	\$0	\$0	\$640	\$82,566	\$83,206	\$98,394
Higher Education (LCTCS)	Baton Rouge Community College	\$0	\$0	\$0	\$5,765	\$5,765	\$0
	Isaac Delgado Community College	\$8,080	\$836	\$0	\$0	\$8,916	\$19,128
	LCTCS Board of Supervisors	\$275,587	\$215,353	\$230,991	\$297,880	\$1,019,811	\$171,241

Department/ Type of Entity	Agency Name*	Total Cost of Legal Representation (\$) by Fiscal Year					
		2001	2002	2003	2004	2001-2004 Total	2005 Year to Date**
Higher Education (LSU System)	LSU System - Board of Supervisors	\$306,514	\$211,760	\$440,994	\$333,495	\$1,292,763	\$322,093
	LSU - Baton Rouge	\$795,962	\$596,858	\$828,493	\$709,099	\$2,930,412	\$668,461
	LSU - Alexandria	\$7,678	\$11,857	\$17,888	\$23,400	\$60,823	\$33,585
	University of New Orleans	\$193,573	\$320,900	\$303,801	\$231,703	\$1,049,977	\$162,518
	LSU Medical Center - New Orleans	\$484,602	\$377,084	\$538,077	\$607,556	\$2,007,319	\$693,632
	LSU - Eunice	\$0	\$0	\$0	\$13,136	\$13,136	\$4,048
	Louisiana State University - Shreveport	\$26,546	\$8,920	\$6,216	\$15,526	\$57,208	\$11,138
	LSU Agricultural Center	\$213,622	\$264,143	\$236,963	\$283,043	\$997,771	\$237,436
	LSU Law Center	\$4,242	\$5,357	\$689	\$7,105	\$17,393	\$876
	Pennington Biomedical Research Center	\$33,860	\$32,625	\$39,053	\$54,390	\$159,928	\$55,170
	LSU Medical Center - Health Care Services Division - Administration	\$416,641	\$378,070	\$573,488	\$335,867	\$1,704,066	\$313,768
	LSU Medical Center - Shreveport	\$122,911	\$149,115	\$169,675	\$150,980	\$592,681	\$114,497
Higher Education (SU System)	Southern University - Baton Rouge	\$100,742	\$173,814	\$214,481	\$260,300	\$749,337	\$249,676
Higher Education (ULS)	ULS Board of Supervisors	\$50,000	\$50,000	\$8,000	\$25,000	\$133,000	\$161,750
	Nicholls State University	\$41,378	\$27,895	\$28,487	\$19,010	\$116,770	\$51,908
	Grambling State University	\$38,340	\$32,657	\$25,222	\$19,876	\$116,095	\$22,457
	Louisiana Tech University	\$39,048	\$76,237	\$100,007	\$115,616	\$330,908	\$120,353
	McNeese State University	\$39,677	\$32,321	\$11,785	\$105,127	\$188,910	\$32,398
	University of Louisiana - Monroe	\$25,327	\$7,923	\$19,383	\$37,187	\$89,820	\$20,799
	Northwestern State University	\$32,346	\$24,016	\$45,767	\$38,718	\$140,847	\$14,841
	Southeastern Louisiana University*****	\$0	\$0	\$1,779	\$34,445	\$36,224	\$42,602
	University of Louisiana - Lafayette	\$29,814	\$24,113	\$51,785	\$74,934	\$180,646	\$18,890
Lieutenant Governor	Lieutenant Governor	\$0	\$0	\$0	\$0	\$0	\$38,971
Other	Community Improvement Agency	\$0	\$0	\$0	\$75,763	\$75,763	\$71,119

## STATE LEGAL REPRESENTATION

Department/ Type of Entity	Agency Name*	Total Cost of Legal Representation (\$) by Fiscal Year					
		2001	2002	2003	2004	2001-2004 Total	2005 Year to Date**
Other Boards and Commissions	Board of Examiners of Bar Pilots of Port of New Orleans	\$4,105	\$25,315	\$14,283	\$51,080	\$94,783	\$93,930
Retirement Systems	School Employees' Retirement System	\$70,998	\$73,683	\$76,635	\$86,460	\$307,776	\$51,055
	State Employees' Retirement System	\$100,001	\$115,947	\$173,599	\$177,833	\$567,380	\$191,255
	Teachers' Retirement System of Louisiana	\$192,115	\$189,818	\$192,809	\$205,459	\$780,201	\$234,685
Special Schools and Commissions	Office of Student Financial Assistance	\$120,747	\$172,392	\$213,635	\$227,536	\$734,310	\$179,876
	Board of Elementary and Secondary Education	\$2,732	\$1,763	\$4,629	\$40,367	\$49,491	\$77,495
	New Orleans Center for Creative Arts	\$21,111	\$20,000	\$36,657	\$17,410	\$95,178	\$7,921
	Louisiana School for the Deaf	\$0	\$67,947	\$25,322	\$0	\$93,269	\$0
	Louisiana School for Math, Science, and the Arts	\$14,217	\$3,015	\$6,865	\$15,224	\$39,321	\$1,664
<b>Grand Total</b>		<b>\$74,399,628</b>	<b>\$80,248,631</b>	<b>\$82,916,099</b>	<b>\$89,193,816</b>	<b>\$326,758,174</b>	<b>\$63,608,652</b>

**\*Auditor Notes:**

1. We included all of executive branch state government within our scope. However, this appendix includes only the entities for which there were actual expenditures for legal services. We found that many state government entities do not report expenditures for in-house and contractual legal services for all programs and offices.

2. DOJ surveyed several state boards and commissions that reported contracts for legal services in CFMS to obtain payment data for these services. However, the following state boards and commissions did not respond and, therefore, are not listed in this appendix: Board of Examiners of Speech Pathology and Audiology, Board of Examiners of Dietetics and Nutrition, Board of Massage Therapy, Board of Certification for Substance Abuse Counselors, Board of Practical Nurse Examiners, Board of Examiners of Interior Designers, Board of Certified Social Work Examiners, and the Board of Private Security Examiners.

\*\* Year to Date includes data through the end of the third quarter (approximately) fiscal year 2005.

\*\*\* Approximately \$59 million of this amount is for DSS OFS support enforcement contracts with district attorneys throughout the state.

\*\*\*\* The Indigent Defense Assistance Board totals may not be complete. The board did not have access to all its records after Hurricane Katrina damaged its New Orleans office.

\*\*\*\*\* Southeastern Louisiana University could not provide data for fiscal years 2001 and 2002 because of transition from legacy system to new technology.

**Source:** Prepared by legislative auditor's staff using data from DOA's ISIS Human Resources and CFMS components and from data obtained from non-ISIS entities.

## DETAIL OF EXPENDITURES FOR IN-HOUSE ATTORNEYS

		In-House Costs (\$ Salary) by Fiscal Year					
Department/ Type of Entity	Agency Name*	2001	2002	2003	2004	2001-2004 Total	2005 Year-to Date
Ancillary Funds	Office of Group Benefits	\$288,993	\$304,620	\$326,553	\$332,953	\$1,253,119	\$264,758
	Office of Risk Management	\$0	\$0	\$50,482	\$92,148	\$142,630	\$71,001
	Prison Enterprises	\$67,260	\$69,019	\$71,707	\$13,187	\$221,173	\$7,546
Department of Agriculture and Forestry	Department of Agriculture and Forestry	\$58,825	\$68,017	\$73,481	\$110,588	\$310,911	\$122,849
Department of Civil Service	Department of Civil Service	\$521,122	\$458,568	\$428,920	\$420,039	\$1,828,649	\$311,132
	Ethics Administration	\$310,445	\$332,997	\$335,440	\$386,730	\$1,365,612	\$280,412
	Division of Administrative Law	\$681,365	\$735,106	\$780,018	\$886,953	\$3,083,442	\$664,600
Department of Corrections	Administration (Headquarters)	\$350,843	\$358,899	\$292,030	\$311,702	\$1,313,474	\$254,776
	Louisiana State Penitentiary	\$0	\$0	\$65,484	\$72,256	\$137,740	\$55,964
	Elayn Hunt Correctional Center	\$0	\$0	\$6,377	\$20,740	\$27,117	\$15,086
Department of Culture, Recreation and Tourism	Office of the Secretary	\$0	\$56,292	\$92,249	\$102,367	\$250,908	\$0
	Office of State Parks	\$53,116	\$56,160	\$67,193	\$38,948	\$215,417	\$0
Department of Economic Development	Office of the Secretary	\$79,939	\$111,701	\$136,946	\$142,893	\$471,479	\$109,679
Department of Education	State Activities	\$181,359	\$203,878	\$315,263	\$358,316	\$1,058,816	\$280,891
Department of Environmental Quality	Office of the Secretary	\$1,001,639	\$1,054,216	\$961,256	\$1,107,369	\$4,124,480	\$867,739
	Office of Environmental Assessment	\$0	\$66,266	\$69,690	\$73,528	\$209,484	\$60,100
Department of Health and Hospitals	Office of the Secretary	\$2,389,741	\$2,558,451	\$3,149,285	\$3,398,874	\$11,496,351	\$2,862,475
	Board of Pharmacy	\$75,029	\$82,035	\$85,628	\$93,736	\$336,428	\$100,723
Department of Insurance	Department of Insurance	\$824,408	\$742,293	\$714,853	\$827,005	\$3,108,559	\$578,495
Department of Justice	Department of Justice	\$12,816,765	\$13,421,161	\$13,634,089	\$13,542,480	\$53,414,495	\$10,222,897

## STATE LEGAL REPRESENTATION

Department/ Type of Entity	Agency Name*	In-House Costs (\$ Salary) by Fiscal Year					
		2001	2002	2003	2004	2001-2004 Total	2005 Year-to Date
Department of Labor	Office of Workforce Development	\$390,643	\$397,673	\$526,709	\$578,009	\$1,893,034	\$502,412
	Office of Workers Compensation	\$2,054,526	\$1,285,915	\$1,414,742	\$1,669,407	\$6,424,590	\$1,324,428
Department of Natural Resources	Office of Secretary	\$201,519	\$157,857	\$166,465	\$173,626	\$699,467	\$201,780
	Office of Conservation	\$60,036	\$62,498	\$65,919	\$69,799	\$258,252	\$54,044
	Office of Mineral Resources	\$0	\$102,981	\$119,239	\$124,162	\$346,382	\$59,239
Department of Public Safety	Office of State Police	\$0	\$63,445	\$146,624	\$163,881	\$373,950	\$161,711
	Office of Motor Vehicles	\$0	\$0	\$80,723	\$112,955	\$193,678	\$86,854
	Office of Legal Affairs	\$716,236	\$695,441	\$569,809	\$642,972	\$2,624,458	\$469,628
	Office of State Fire Marshal	\$53,190	\$55,897	\$105,289	\$103,395	\$317,771	\$81,545
Department of Public Service	Public Service Commission	\$446,977	\$533,242	\$644,234	\$726,951	\$2,351,404	\$548,546
Department of Revenue and Taxation	Department of Revenue	\$1,076,974	\$1,277,639	\$1,307,661	\$1,314,377	\$4,976,651	\$1,098,353
	Tax Commission	\$0	\$0	\$0	\$0	\$0	\$39,677
Department of Social Services	Office of Family Support	\$2,388,064	\$2,412,232	\$2,788,188	\$2,932,136	\$10,520,620	\$2,105,019
	Office of the Secretary	\$1,551,845	\$1,620,199	\$1,628,584	\$1,700,701	\$6,501,329	\$1,451,680
	Office of Community Services	\$745,533	\$738,716	\$751,531	\$780,570	\$3,016,350	\$591,685
Department of State	Secretary of State	\$134,328	\$142,197	\$162,555	\$203,386	\$642,466	\$389,073
	Department of Elections and Registration	\$81,690	\$89,424	\$92,781	\$102,420	\$366,315	\$0
Department of Transportation and Development	Administration	1,217,228	1,222,523	1,275,674	1,455,406	\$5,170,831	1,299,957
Department of Treasury	State Treasurer Operating	\$0	\$55,111	\$70,658	\$98,923	\$224,692	\$132,563
Department of Wildlife and Fisheries	Secretary - Administration	\$253,710	\$256,200	\$261,582	\$278,520	\$1,050,012	\$213,878
Department of Youth Development Services	Youth Development (Headquarters)	\$121,721	\$125,927	\$187,222	\$270,431	\$705,301	\$275,673

		In-House Costs (\$ Salary) by Fiscal Year					
Department/ Type of Entity	Agency Name*	2001	2002	2003	2004	2001-2004 Total	2005 Year-to Date
Executive Department	Executive Office	\$215,683	\$375,828	\$358,263	\$340,239	\$1,290,013	\$291,231
	Mental Health Advocacy Service	\$239,340	\$449,689	\$482,212	\$509,136	\$1,680,377	\$477,305
	Commissioner's Office	\$365,115	\$345,676	\$427,183	\$465,087	\$1,603,061	\$398,995
	Department of Military	\$0	\$0	\$0	\$42,503	\$42,503	\$66,213
	Office of Elderly Affairs	\$68,025	\$70,057	\$83,510	\$89,384	\$310,976	\$69,429
	Office of Financial Institutions	\$260,823	\$280,197	\$293,515	\$308,918	\$1,143,453	\$271,450
Higher Education	Board of Regents for Higher Education	\$0	\$0	\$0	\$70,409	\$70,409	\$95,125
Higher Education (LSU System)	LSU System - Board of Supervisors	\$0	\$0	\$27,671	\$194,836	\$222,507	\$202,630
	LSU Medical Center - New Orleans	\$0	\$0	\$0	\$66,420	\$66,420	\$223,750
	LSU Medical Center - Health Care Services Division	\$133,949	\$235,766	\$249,337	\$265,890	\$884,942	\$283,619
Higher Education (SU System)	Southern University - Baton Rouge	\$0	\$87,367	\$101,914	\$102,682	\$291,963	\$105,944
Higher Education (ULS)	ULS Board of Supervisors	\$0	\$0	\$0	\$0	\$0	\$136,750
Lieutenant Governor	Lieutenant Governor	\$0	\$0	\$0	\$0	\$0	\$38,971
Other	Community Improvement Agency	\$0	\$0	\$0	\$75,763	\$75,763	\$71,119
Retirement Systems	School Employees' Retirement System	\$70,998	\$73,683	\$76,635	\$86,460	\$307,776	\$51,055
	State Employees' Retirement System	\$100,001	\$115,947	\$173,599	\$177,833	\$567,380	\$191,255
	Teachers' Retirement System of Louisiana	\$192,115	\$189,818	\$192,809	\$205,459	\$780,201	\$234,685

## STATE LEGAL REPRESENTATION

		In-House Costs (\$ Salary) by Fiscal Year					
Department/ Type of Entity	Agency Name*	2001	2002	2003	2004	2001-2004 Total	2005 Year-to Date
Special Schools and Commissions	Office of Student Financial Assistance	\$120,747	\$172,392	\$213,635	\$227,536	\$734,310	\$179,876
<b>Grand Total</b>		<b>\$32,961,865</b>	<b>\$34,371,216</b>	<b>\$36,703,416</b>	<b>\$39,063,394</b>	<b>\$143,099,891</b>	<b>\$31,608,270</b>
<p>*We included all of executive branch state government within our scope. However, this appendix includes only the entities for which there were actual expenditures for in-house legal services.</p> <p><b>Source:</b> Prepared by legislative auditor's staff using data from DOA's ISIS Human Resources and CFMS components and from data obtained from non-ISIS entities.</p>							

## DETAIL OF NUMBER OF IN-HOUSE ATTORNEY STAFF

Department/ Type of Entity	Agency Name*	In-House (Staff) by Fiscal Year				
		2001	2002	2003	2004	2005 Year to Date
Ancillary Funds	Office of Group Benefits	4	4	5	4	4
	Office of Risk Management	0	0	1	1	1
	Prison Enterprises	1	1	1	2	1
Department of Agriculture and Forestry	Department of Agriculture and Forestry	1	1	1	2	2
Department of Civil Service	Department of Civil Service	8	8	6	6	5
	Ethics Administration	5	5	7	7	7
	Division of Administrative Law	11	13	12	13	14
Department of Corrections	Administration (Headquarters)	5	5	4	4	5
	Louisiana State Penitentiary	0	0	1	1	1
	Elayn Hunt Correctional Center	0	0	1	1	1
Department of Culture, Recreation and Tourism	Office of the Secretary	0	1	1	2	0
	Office of State Parks	1	1	1	1	0
Department of Economic Development	Office of the Secretary	1	2	2	2	2
Department of Education	State Activities	3	5	5	5	6
Department of Environmental Quality	Office of the Secretary	16	19	20	17	18
	Office of Environmental Assessment	0	1	1	1	1
Department of Health and Hospitals	Office of the Secretary	38	42	53	52	54
	Board of Pharmacy	1	1	1	1	1
Department of Insurance	Department of Insurance	12	13	12	13	15
Department of Justice	Department of Justice	198	213	211	232	207
Department of Labor	Office of Workforce Development	8	8	9	8	8
	Office of Workers Compensation	21	23	25	27	30
Department of Natural Resources	Office of Secretary	3	2	2	2	4
	Office of Conservation	1	1	1	1	1
	Office of Mineral Resources	0	2	2	2	2

## STATE LEGAL REPRESENTATION

Department/ Type of Entity	Agency Name*	In-House (Staff) by Fiscal Year				
		2001	2002	2003	2004	2005 Year to Date
Department of Public Safety	Office of State Police	0	1	2	2	3
	Office of Motor Vehicles	0	0	1	2	3
	Office of Legal Affairs	11	12	8	10	9
	Office of State Fire Marshal	1	1	2	3	2
Department of Public Service	Public Service Commission	10	10	12	12	12
Department of Revenue and Taxation	Department of Revenue	21	26	27	24	24
	Tax Commission	0	0	0	0	1
Department of Social Services	Office of Family Support	41	42	46	43	40
	Office of the Secretary	24	24	24	28	26
	Office of Community Services	12	13	13	14	13
Department of State	Secretary of State	2	2	2	3	6
	Department of Elections and Registration	1	1	1	2	0
Department of Transportation and Development	Administration	18	19	19	19	19
Department of Treasury	State Treasurer Operating	0	1	2	2	2
Department of Wildlife and Fisheries	Secretary - Administration	4	4	3	3	3
Department of Youth Development Services	Youth Development (Headquarters)	2	2	3	4	6
Executive Department	Executive Office	2	5	4	6	4
	Mental Health Advocacy Service	5	10	11	14	13
	Commissioner's Office	7	7	6	8	8
	Department of Military	0	0	0	1	1
	Office of Elderly Affairs	1	1	1	1	1
	Office of Financial Institutions	4	4	4	4	6
Higher Education	Board of Regents for Higher Education	0	0	0	1	1
Higher Education (LSU System)	LSU System - Board of Supervisors	0	0	1	2	2
	LSU Medical Center - New Orleans	0	0	0	1	3
	LSU Medical Center - Health Care Services Division	2	3	3	3	3
Higher Education (SU System)	Southern University - Baton Rouge	0	1	1	1	1

Department/ Type of Entity	Agency Name*	In-House (Staff) by Fiscal Year				
		2001	2002	2003	2004	2005 Year to Date
Higher Education (ULS)	ULS Board of Supervisors	0	0	0	0	1
Lieutenant Governor	Lieutenant Governor	0	0	0	0	1
Other	Community Improvement Agency	0	0	0	1	1
Retirement Systems	School Employees' Retirement System	1	1	1	1	1
	State Employees' Retirement System	1	2	2	2	2
	Teachers' Retirement System of Louisiana	2	2	2	2	2
Special Schools and Commissions	Office of Student Financial Assistance	2	3	3	3	3
<b>Grand Total</b>		<b>512</b>	<b>568</b>	<b>589</b>	<b>629</b>	<b>613</b>
<p>*We included all of executive branch state government within our scope. However, this appendix includes only the entities for which there were actual expenditures for in-house legal services.</p> <p><b>Source:</b> Prepared by legislative auditor's staff using data from DOA's ISIS Human Resources and CFMS components and from data obtained from non-ISIS entities.</p>						

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## DETAIL OF EXPENDITURES FOR CONTRACTS FOR LEGAL SERVICES

Department/ Type of Entity	Agency Name*	Contract Costs (\$ Payments) by Fiscal Year					
		2001	2002	2003	2004	2001-2004 Total	2005 Year to Date**
Ancillary Funds	Office of Group Benefits	\$113,784	\$483,043	\$449,698	\$101,269	\$1,147,794	\$22,659
	Office of Risk Management	\$9,687,299	\$13,057,326	\$13,893,708	\$16,502,564	\$53,140,897	\$10,652,151
Department of Agriculture and Forestry	Department of Agriculture and Forestry	\$361,040	\$435,919	\$303,735	\$669,085	\$1,769,779	\$258,596
Department of Civil Service	State Police Commission	\$0	\$0	\$31,409	\$33,050	\$64,459	\$22,553
	Division of Administrative Law	\$0	\$0	\$0	\$16,016	\$16,016	\$6,484
Department of Corrections	Administration (Headquarters)	\$156,671	\$95,076	\$102,175	\$116,437	\$470,359	\$212,042
	David Wade Correctional Center	\$11,698	\$12,950	\$0	\$0	\$24,648	\$0
Department of Culture, Recreation and Tourism	Office of the Secretary	\$50,380	\$45,840	\$66,393	\$51,062	\$213,675	\$26,230
Department of Economic Development	Office of the Secretary	\$7,995	\$35,690	\$11,310	\$58,492	\$113,487	\$4,658
	Business Services	\$0	\$560	\$0	\$1,147	\$1,707	\$7,507
	Board of Architectural Examiners	\$22,658	\$27,970	\$31,630	\$29,688	\$111,946	\$16,050
	Cemetery Board	\$20,708	\$23,385	\$27,030	\$34,039	\$105,162	\$23,888
	Board of Certified Public Accountants	\$21,265	\$19,909	\$24,223	\$24,531	\$89,928	\$18,919
	Real Estate Appraisers Board	\$1,188	\$2,844	\$5,313	\$5,012	\$14,357	\$1,440
	Licensing Board for Contractors	\$76,671	\$67,983	\$67,707	\$75,164	\$287,525	\$60,374
	Real Estate Commission	\$32,583	\$39,115	\$33,338	\$27,382	\$132,418	\$17,153
	Examiners of Certified Shorthand Reporters	\$0	\$6,815	\$1,245	\$1,006	\$9,066	\$0
	Recreational and Used Motor Vehicle Commission	\$62,054	\$58,689	\$57,023	\$35,044	\$212,810	\$47,733
	Motor Vehicle Commission	\$116,959	\$142,719	\$151,424	\$143,060	\$554,162	\$166,465
	Auctioneers Licensing Board	\$4,870	\$5,619	\$4,614	\$4,584	\$19,687	\$22,198
Department of Education	State Activities	\$72,087	\$51,201	\$45,470	\$110,469	\$279,227	\$49,305
Department of Environmental Quality	Office of the Secretary	\$3,156	\$3,938	\$0	\$0	\$7,094	\$3,625
	Office of Management and Finance	\$18,743	\$42,531	\$19,271	\$44,384	\$124,929	\$49,676

# STATE LEGAL REPRESENTATION

Department/ Type of Entity	Agency Name*	Contract Costs (\$ Payments) by Fiscal Year					
		2001	2002	2003	2004	2001-2004 Total	2005 Year to Date**
Department of Health and Hospitals	Medical Vendor Administration	\$0	\$2,207	\$0	\$0	\$2,207	\$0
	Office of the Secretary	\$409,401	\$150,543	\$251,509	\$298,118	\$1,109,571	\$155,844
	Office of Public Health	\$0	\$164,952	\$149,902	\$171,119	\$485,973	\$85,738
	Office of Mental Health	\$0	\$1,325	\$2,700	\$0	\$4,025	\$0
	Southeast Louisiana Hospital	\$0	\$0	\$43,969	\$0	\$43,969	\$0
	Board of Chiropractic Examiners	\$1,416	\$1,054	\$2,513	\$638	\$5,621	\$1,988
	Board of Embalmers and Funeral Directors	\$47,809	\$47,131	\$47,322	\$52,314	\$194,576	\$35,893
	Board of Medical Examiners	\$954,533	\$974,036	\$956,802	\$961,090	\$3,846,461	\$651,588
	Board of Nursing	\$64,746	\$109,289	\$138,048	\$113,687	\$425,770	\$100,716
	Board of Physical Therapy Examiners	\$123,793	\$145,837	\$51,745	\$115,778	\$437,153	\$80,182
	Board of Examiners of Nursing Facility Administrators	\$14,344	\$28,316	\$26,637	\$17,420	\$86,717	\$21,765
	Board for Hearing Aid Dealers	\$626	\$3,788	\$8,797	\$7,583	\$20,794	\$3,280
	Board of Veterinary Medicine Examiners	\$52,544	\$60,451	\$75,120	\$103,125	\$291,240	\$93,990
	Board of Dentistry	\$188,653	\$183,583	\$118,906	\$86,233	\$577,375	\$85,936
	Board of Wholesale Drug Distributors	\$3,216	\$2,275	\$2,828	\$10,235	\$18,554	\$10,079
	Licensed Professional Counselors Board of Examiners	\$11,184	\$7,964	\$3,850	\$1,584	\$24,582	\$1,335
	Board of Examiners of Psychologists	\$8,887	\$6,356	\$15,394	\$3,471	\$34,108	\$5,115
Department of Insurance	Department of Insurance	\$168,645	\$323,353	\$265,206	\$217,977	\$975,181	\$85,943
Department of Justice	Department of Justice	\$715,993	\$540,299	\$663,729	\$449,001	\$2,369,022	\$355,016
Department of Labor	Office of Workforce Development	\$0	\$93,292	\$117,379	\$111,444	\$322,115	\$20,266
	Office of Workers Compensation	\$0	\$0	\$0	\$13,138	\$13,138	\$69,639
	Plumbing Board	\$40,077	\$33,643	\$44,766	\$39,463	\$157,949	\$38,782

		Contract Costs (\$ Payments) by Fiscal Year					
Department/ Type of Entity	Agency Name*	2001	2002	2003	2004	2001-2004 Total	2005 Year to Date**
Department of Natural Resources	Office of Secretary	\$87,835	\$403,988	\$78,801	\$206,491	\$777,115	\$51,556
	Office of Conservation	\$59,383	\$51,326	\$25,840	\$32,742	\$169,291	\$15,775
	Office of Mineral Resources	\$221,114	\$279,067	\$100,537	\$161,749	\$762,467	\$69,105
	Office of Coastal Restoration and Management	\$111,276	\$125,111	\$56,936	\$101,220	\$394,543	\$6,393
Department of Public Safety	Public Safety Services - Louisiana Gaming Control Board	\$189,124	\$40,486	\$37,540	\$49,911	\$317,061	\$35,766
	Board of Private Investigators	\$44,419	\$38,959	\$60,276	\$61,787	\$205,441	\$27,468
Department of Public Service	Public Service Commission	\$2,826,640	\$2,297,158	\$2,470,818	\$3,639,497	\$11,234,113	\$1,752,913
Department of Revenue and Taxation	Department of Revenue	\$87,097	\$119,469	\$136,928	\$188,937	\$532,431	\$67,733
	Tax Commission	\$284,388	\$333,535	\$209,589	\$225,675	\$1,053,187	\$152,116
Department of Social Services	Office of Family Support	\$14,228,104	\$15,078,111	\$14,869,852	\$15,368,384	\$59,544,451	\$8,673,572
Department of State	Department of Elections and Registration	\$0	\$0	\$40,895	\$5,921	\$46,816	\$0
Department of Transportation and Development	Administration	\$342,688	\$494,756	\$329,559	\$491,582	\$1,658,585	\$283,650
	Professional Engineering and Land Surveying Board	\$51,599	\$40,936	\$57,198	\$62,817	\$212,550	\$58,057
Department of Treasury	Bond Commission	\$73,910	\$130,772	\$129,948	\$32,975	\$367,605	\$255,000
Department of Wildlife and Fisheries	Office of Management and Finance	\$13,942	\$2,530	\$0	\$9,349	\$25,821	\$14,513
	Secretary - Administration	\$0	\$2,000	\$19,494	\$45,500	\$66,994	\$0
	Office of Wildlife	\$6,507	\$8,383	\$87,383	\$31,108	\$133,381	\$9,904
Department of Youth Development Services	Youth Development (Headquarters)	\$5,186	\$0	\$0	\$0	\$5,186	\$84,969

# STATE LEGAL REPRESENTATION

		Contract Costs (\$ Payments) by Fiscal Year					
Department/ Type of Entity	Agency Name*	2001	2002	2003	2004	2001-2004 Total	2005 Year to Date**
Executive Department	Oil Spill Coordinator's Office	\$34,950	\$29,551	\$45,664	\$47,521	\$157,686	\$0
	Indigent Defense Assistance Board	\$4,256,510	\$4,342,301	\$4,470,857	\$4,431,245	\$17,500,913	\$3,502,330
	Manufactured Housing Commission	\$0	\$0	\$10,400	\$11,600	\$22,000	\$11,450
	Commissioner's Office	\$107,549	\$14,260	\$115,500	\$68,960	\$306,269	\$59,514
	Office of General Counsel	\$73,455	\$55,595	\$23,071	\$5,173	\$157,294	\$3,031
	Office of State Lands	\$1,365	\$53,544	\$12,729	\$77,789	\$145,427	\$6,425
	Construction Litigation Auxiliary	\$0	\$0	\$0	\$0	\$0	\$1,000
	Patient's Compensation Fund Oversight Board	\$118,131	\$111,424	\$126,826	\$128,570	\$484,951	\$71,721
	Facility Planning	\$1,001,485	\$301,803	\$337,849	\$48,782	\$1,689,919	\$0
	Louisiana Stadium and Exposition District	\$186,900	\$955,603	\$223,918	\$218,689	\$1,585,110	\$286,881
	Board of Tax Appeals	\$24,000	\$28,800	\$28,800	\$28,800	\$110,400	\$21,600
	Office of Elderly Affairs	\$108,913	\$120,814	\$121,942	\$118,665	\$470,334	\$58,112
	Racing Commission	\$27,133	\$36,857	\$41,598	\$46,704	\$152,292	\$26,250
	Office of Financial Institutions	\$153	\$2,531	\$1,531	\$1,369	\$5,584	\$5,535
	Board of Cosmetology	\$21,623	\$22,170	\$24,069	\$18,439	\$86,301	\$20,393
Higher Education	Board of Regents for Higher Education	\$0	\$0	\$640	\$12,157	\$12,797	\$3,269
Higher Education (LCTCS)	Baton Rouge Community College	\$0	\$0	\$0	\$5,765	\$5,765	\$0
	Isaac Delgado Community College	\$8,080	\$836	\$0	\$0	\$8,916	\$19,128
	LCTCS Board of Supervisors	\$275,587	\$215,353	\$230,991	\$297,880	\$1,019,811	\$171,241

		Contract Costs (\$ Payments) by Fiscal Year					
Department/ Type of Entity	Agency Name*	2001	2002	2003	2004	2001-2004 Total	2005 Year to Date**
Higher Education (LSU System)	LSU System - Board of Supervisors	\$306,514	\$211,760	\$413,323	\$138,659	\$1,070,256	\$119,463
	LSU - Baton Rouge	\$795,962	\$596,858	\$828,493	\$709,099	\$2,930,412	\$668,461
	LSU - Alexandria	\$7,678	\$11,857	\$17,888	\$23,400	\$60,823	\$33,585
	University of New Orleans	\$193,573	\$320,900	\$303,801	\$231,703	\$1,049,977	\$162,518
	LSU Medical Center - New Orleans	\$484,602	\$377,084	\$538,077	\$541,136	\$1,940,899	\$469,882
	LSU - Eunice	\$0	\$0	\$0	\$13,136	\$13,136	\$4,048
	LSU - Shreveport	\$26,546	\$8,920	\$6,216	\$15,526	\$57,208	\$11,138
	LSU Agricultural Center	\$213,622	\$264,143	\$236,963	\$283,043	\$997,771	\$237,436
	LSU Law Center	\$4,242	\$5,357	\$689	\$7,105	\$17,393	\$876
	Pennington Biomedical Research Center	\$33,860	\$32,625	\$39,053	\$54,390	\$159,928	\$55,170
	LSU Medical Center - Shreveport	\$122,911	\$149,115	\$169,675	\$150,980	\$592,681	\$114,497
	LSU Medical Center - Health Care Services Division	\$282,692	\$142,304	\$324,151	\$69,977	\$819,124	\$30,149
Higher Education (SU System)	Southern University - Baton Rouge	\$100,742	\$86,447	\$112,567	\$157,618	\$457,374	\$143,732
Higher Education (ULS)	ULS Board of Supervisors	\$50,000	\$50,000	\$8,000	\$25,000	\$133,000	\$25,000
	Nicholls State University	\$41,378	\$27,895	\$28,487	\$19,010	\$116,770	\$51,908
	Grambling State University	\$38,340	\$32,657	\$25,222	\$19,876	\$116,095	\$22,457
	Louisiana Tech University	\$39,048	\$76,237	\$100,007	\$115,616	\$330,908	\$120,353
	McNeese State University	\$39,677	\$32,321	\$11,785	\$105,127	\$188,910	\$32,398
	University of Louisiana - Monroe	\$25,327	\$7,923	\$19,383	\$37,187	\$89,820	\$20,799
	Northwestern State University	\$32,346	\$24,016	\$45,767	\$38,718	\$140,847	\$14,841
	Southeastern Louisiana University***	\$0	\$0	\$1,779	\$34,445	\$36,224	\$42,602
	University of Louisiana - Lafayette	\$29,814	\$24,113	\$51,785	\$74,934	\$180,646	\$18,890
Other Boards and Commissions	Board of Examiners of Bar Pilots of Port of New Orleans	\$4,105	\$25,315	\$14,283	\$51,080	\$94,783	\$93,930

## STATE LEGAL REPRESENTATION

		Contract Costs (\$ Payments) by Fiscal Year					
Department/ Type of Entity	Agency Name*	2001	2002	2003	2004	2001-2004 Total	2005 Year to Date**
Special Schools and Commissions	Board of Elementary and Secondary Education	\$2,732	\$1,763	\$4,629	\$40,367	\$49,491	\$77,495
	New Orleans Center for Creative Arts	\$21,111	\$20,000	\$36,657	\$17,410	\$95,178	\$7,921
	Louisiana School for the Deaf	\$0	\$67,947	\$25,322	\$0	\$93,269	\$0
	Louisiana School for Math, Science, and the Arts	\$14,217	\$3,015	\$6,865	\$15,224	\$39,321	\$1,664
<b>Grand Total</b>		<b>\$41,437,761</b>	<b>\$45,877,417</b>	<b>\$46,212,684</b>	<b>\$50,130,422</b>	<b>\$183,658,284</b>	<b>\$32,000,384</b>
<p>*We included all of executive branch state government within our scope. However, this appendix includes only the entities for which there were actual expenditures for contractual legal services.</p> <p>**Year to Date includes data through the end of the third quarter (approximately) fiscal year 2005.</p> <p>***Southeastern Louisiana University could not provide data for fiscal years 2001 and 2002 because of transition from legacy system to new technology.</p> <p><b>Source:</b> Prepared by legislative auditor's staff using data from DOA's ISIS Human Resources and CFMS components and from data obtained from non-ISIS entities.</p>							

**MANAGEMENT'S RESPONSE**





CHARLES C. FOTI, JR.  
ATTORNEY GENERAL

**State of Louisiana**  
DEPARTMENT OF JUSTICE  
P.O. BOX 94005  
**BATON ROUGE**  
70804-9005

January 9, 2006

Mr. Steve J. Theriot, CPA  
Legislative Auditor  
P.O. Box 94397  
Baton Rouge, Louisiana 70804-9397

Dear Mr. Theriot

This is in response to the performance audit dated December 13, 2005 regarding the Department of Justice and the cost of legal representation in Louisiana state government. The Department of Justice appreciates the opportunity to offer the following response to the recommendations contained in this report.

**Matter for Legislative Consideration 1:**

The legislature should consider amending R. S. 49:257 to require that departments of state government that employ a general counsel and contract with other attorneys consistently maintain accurate data on legal costs and periodically report such to the Department of Justice.

**Management's Response:**

We agree with this recommendation. As the chief provider of legal representation for the State of Louisiana we believe it is imperative that the Department of Justice be informed of any and all legal matters involving the State of Louisiana before such action occurs and kept informed of all legal actions as they progress. In addition to this, the Department of Justice also requests the legislature to consider enacting a statute preventing legal counsel of such governmental agencies from filing individual law suits on behalf of the State without the knowledge and consent of the Attorney General as the chief legal officer of the State of Louisiana. We believe this will improve the Department's ability to oversee the states legal proceedings and provide needed legal assistance to these agencies, as well as provide relevant information to the legislature as required by law.

**Recommendation 1:**

The Department of Justice, as the chief provider of legal representation for the State of Louisiana, should lead a coordinated effort to improve information collection and maintenance on legal representation across state government. This should include the establishment and maintenance of a centralized source for legal representation data.

**Management's Response:**

We agree with this recommendation. The Department of Justice will design and maintain a centralized database to include information regarding legal representation throughout the State. Currently the Department of Justice does not have the ability to collect such information on its own. Therefore, the successful implementation of this recommendation will require a joint effort between ourselves and the Division of Administration.

**Recommendation 2:**

The Department of Justice should establish a process by where they are informed of all in-house attorneys hired by state entities. Also, they should record such information in a centralized data source.

**Management's Response:**

We agree with this recommendation. Establishing this process will increase confidence that the State is employing qualified and competent in-house attorneys as well as decrease the possibility of employing unnecessary legal staff. As stated in our response to Recommendation 1 above, we do not currently have the authority to require state entities to provide us with such information and will also require a joint effort between ourselves and the Division of Administration.

**Recommendation 3:**

The Department of Justice should record all contracts at the point of their review in a centralized data source.

**Management's Response:**

We agree with this recommendation. The Department of Justice will design a database to record all contract information in a centralized location at the point of review. Although the department currently has a procedure to ensure all contracts are thoroughly reviewed before approval, maintaining such information in a centralized database will increase the departments ability to provide accurate information regarding the total amount of State dollars spent on out-side legal contracts. Considering the fiscal crisis the State of Louisiana is currently facing, we feel it is important for state agencies to reconsider the hiring of outside counsel and utilize the vast experience and abilities of the Department of

Mr. Steve J. Theriot, CPA

January 9, 2006

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Justice. As a result, the Department of Justice respectfully requests the legislative staff to consider enacting stricter laws controlling the use of outside legal counsel.

We strongly believe that cooperation between the Office of the Attorney General and the general counsel for state agencies is vital. In order to establish and maintain a good working environment with these agencies's, the Department of Justice held a meeting on March 29, 2005 and invited all state agency general counsel to attend. The purpose of this meeting was to reinforce the idea that the Department of Justice is here to provide assistance to them in any and all legal matters involving the State of Louisiana. This meeting was a success and we expect to continue such meetings throughout the coming years.

The Department of Justice would like to thank the Office of the Legislative Auditor and the courtesies extended by its staff. If additional assistance is needed please do not hesitate to contact Kristy Elliott, Internal Auditor, at 326-6717.

Sincerely,

A handwritten signature in cursive script, reading "Charles C. Foti, Jr.", written in dark ink.

Charles C. Foti, Jr.  
Attorney General